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## Nicaragua Eases Law On Civil Liberties

By Robert J. McCartney  
 Washington Post Service

MANAGUA — The Nicaraguan government has announced it will restore the right to strike, ease restrictions on personal liberties and reduce press censorship in an attempt to appease several small political parties that were threatened to boycott the November elections.

Daniel Ortega Saavedra, head of the Sandinista ruling council and the government's presidential candidate, announced the measures in an address Monday to an international conference of mayors in Managua.

Mr. Ortega said that the decrees to take effect from the moment they were published in "any medium of collective information." It was published in full Tuesday in the official Sandinista newspaper, *Revolucion*.

The changes were not aimed at ending a boycott of the elections by the Democratic Coordinator, the largest political group opposing the Sandinista government, at group, whose candidate was a former junta member, Arce Cruz, had sought more sweeping measures, including a "national logic" to include counterrevolutionary guerrillas battling the Sandinistas.

The four parties in the Democratic Coordinator lost their legal standing earlier because they declined to register candidates for the Nov. 4 elections for president, vice president and a 90-seat National Assembly. They thus lost their right to hold outdoor rallies.

Six parties in addition to the Sandinista National Liberation Front registered candidates for the election, but several have said they would pull out of the campaign before voting day unless the Sandinistas eased restrictions on civil liberties. The measures announced Monday appeared to satisfy some, but not all, of their demands.

These six parties, which include the groups as well as more conservative ones, have been less critical of the Sandinistas than the Democratic Coordinator. The party leaders were not immediately available to comment on Mr. Ortega's announcement.

The Sandinistas are viewed as ending the six smaller parties' participation in the election to add legitimacy to the contest. The Democratic Coordinator and U.S. President Ronald Reagan already suggested that the elections would be a sham because of the Sandinista domination.

Mr. Ortega did not refer specifically to the parties' demands in announcing the easing of restrictions, but it was clear that the measures were designed to meet some of their requests. The parties had a series of meetings with the Sandinista front in the past two weeks to try to reach an agreement that would prevent a boycott.

Mr. Ortega announced the "re-establishment" of the two articles in earlier law that guarantees the right to strike and to certain personal liberties. Both articles have been suspended under a national state of emergency declared on March 15, 1982, because of attacks on counterrevolutionary guerrillas. A government lawyer said that

Continued on Page 2, Col. 5



JUDO CHAMPION — Byeong Keun Ahn of South Korea puts a headlock on Ezio Gamba of Italy in the finals of the Olympic judo competition. Mr. Ahn won the gold medal. Olympics coverage, Pages 6 and 7.

## Soviet Appears Alarmed by 2 Germans' Détente

By Serge Schmemmann  
 New York Times Service

MOSCOW — The détente developing between the two Germans, with its prospect of the first visit to Bonn by an East German leader, has drawn some unusually public displays of irritation from the Kremlin.

Twice in the past two weeks, Pravda, the Communist Party daily, bitterly denounced Bonn's latest economic agreements with East Berlin. It charged that the West Germans were using an "economic lever" to undermine their Communist neighbor's "stability" and, more broadly, postwar Europe's peaceful structure.

The denunciations culminated in a series of accusations that West German leaders were harboring "revanchist" ambitions, an accusation that in the Soviet lexicon means German plotting to revive prewar might and recover lost territories.

The Russians have made little effort to disguise the fact that the focus of the attacks was not so much "revanchism" as moves by the two Germans in the past year to improve relations, in particular the visit to Bonn next month by Erich Honecker, the East German leader.

Pravda last Thursday, after Bonn announced a bank credit of \$330 million to East Berlin, said that such gestures were actually "revanchist solicitations."

The lifting of some restrictions on visits, to which East Germany agreed in return for the credits, Pravda said, was nothing more than "an attempt at getting new channels for political and ideological influence."

If Mr. Honecker missed the point, unlikely for one of Moscow's staunchest allies, Pravda reminded him of a statement he had made to the effect that socialist East Germany and capitalist West Germany "cannot be combined, just as it is impossible to combine flame and ice."

The references to West German "revanchism" have been something of a fixture in the Soviet press since Bonn allowed deployment of Pershing-2 medium-range missiles last year.

But the public scolding of East Germany was a new element in Moscow's behavior. To some diplomats in Moscow, the tone of bullying seemed reminiscent of the Soviet stance at Poland four years ago as the Solidarity labor movement was taking shape.

It seems improbable that Soviet leaders view the West German

bank loans or Mr. Honecker's visit with the same sense of alarm that they watched the rise of Solidarity or that they really fear imminent reunification.

What has aroused the Kremlin's anger this time, diplomats say, is

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more the timing of the initiatives and their independence of Moscow.

The improvement in relations between the two Germans in the past year have been in sharp contrast with the freeze on East-West ties decreed by the Soviet Union in retaliation for the North Atlantic Treaty Organization's deployment of medium-range missiles.

The thaw must be galling to Soviet leaders in view of the vow by

Yuri V. Andropov, the late Soviet leader, to Chancellor Helmut Kohl, during his visit last year, that acceptance of the missiles by Bonn would result in a "palisade of rockets" rising between the two Germans.

Soviet leaders are for the most part old men who remember the war. They sustain fear of a revived Third Reich and abiding taste for their role of wartime victor.

In this context, independent moves toward better relations between the Germans must look to Moscow like "revanchist" yearnings, lacking in the deference expected of an aggressor nation that was defeated.

Mr. Kohl has long irked the Russians on this score. On his first visit to Moscow last year, he publicly rejected the charge of revanchism, asking Mr. Andropov how

he would act if Moscow and the Soviet Union were divided.

Moscow's reaction has raised questions about how much freedom it is prepared to allow East Europeans in their dealings with the West.

Leaving aside Romania and its role as maverick, Moscow has appeared in recent months to give its allies some elbow room in economic dealings with the West while insisting on full control over political issues such as missiles or participation in the Olympics.

The German moves have been as political as economic, however, especially since the West German bank credits appear to have been tied to greater contacts between Germans and to Mr. Honecker's visit, with all the symbolism it carries.



Erich Honecker

## Reagan Replaces Envoy to Norway

United Press International

SANTA BARBARA, California — President Ronald Reagan on Tuesday replaced the U.S. ambassador to Norway, Mark Evans Austad. The new ambassador is Robert Stuart, 68, chairman of Quaker Oats Co. in Chicago since 1947.

Mr. Austad, 67, made headlines with his outspoken remarks and his incident last year in which he tried to enter someone else's home late at night. Mr. Austad said he went to the wrong house after getting lost.

The son of Norwegian immigrant parents, Mr. Austad spent time in Norway in the 1930s as a Mormon missionary. He is a former Washington broadcaster who served as President Gerald R. Ford's envoy in Finland.

## U.S. Anti-Mine Teams Airlifted to Suez Gulf

By Rick Atkinson  
 Washington Post Service

WASHINGTON — The Pentagon said Tuesday that it had dispatched minesweeping helicopters and a support ship to the Gulf of Suez to search for mines that are believed to have damaged at least 13 ships.

The deployment was made in response to a request from Egypt. The first two minesweeping helicopters had arrived in Rota, Spain, en route for the Red Sea, officials said. Two additional RH-53D Sea Stallion helicopters were scheduled to leave the Naval Air Station at Norfolk on Tuesday aboard C-5A military cargo planes.

But it would take a "week to 10 days" before the four minesweepers begin looking for the cause of the mysterious explosions, according to Colonel Michael L. Burch, assistant secretary of defense for public affairs.

[Colonel Burch stressed that there would be no U.S. effort to prevent any further placing of mines. The Associated Press reported.]

["That's not part of our deployment to prevent further sowing," he said.]

The decision to send the Sea Stallions was made Monday night by Defense Secretary Caspar W. Weinberger after consultations with President Ronald Reagan, Colonel Burch said.

Although the first two helicopters had been loaded aboard the C-5As over the weekend, the decision was delayed pending a formal request from the Egyptian government. The first two helicopters left at midnight Monday. Colonel Burch added.

The U.S. Navy already has moved an unarmed oceanographic survey ship, the *Harkness*, into the Red Sea for use as a base for an anti-mine team sent to Egypt on Thursday, according to Pentagon officials.

U.S. officials are still baffled by the cause of the explosions, although Colonel Burch said "the numbers of incidents and the descriptions" of the blasts have provided "more than circumstantial evidence" of mines in the Gulf of Suez and the southern end of the Red Sea.

"We really don't know what we're dealing with here," he said. "No ships have been sunk, no ships have been disabled."

Navy officials linked the Red Sea operation to "Nimbus Stream" in July 1975, when the United States swept mines dropped in the Suez Canal during the Yom Kippur War.

A navy commander who briefed reporters at the Pentagon on Monday said it was impossible to tell how long it would take to sweep the Red Sea. The helicopters, which usually operate within 25 miles (about 40 kilometers) of their mother ship, use a cable to tow a large seagoing sled equipped with either acoustic or magnetic detection equipment.

If a mine is detected by the six crewmen in a helicopter, divers will be dispatched to retrieve the device. Because the mines in question are believed to be relatively simple and possibly even homemade, it may not be possible to tell where they came from even if one is recovered unexploded, the navy officer added.

■ **Tehran Praises Attacks**  
 Tehran Radio praised the attacks on Red Sea shipping. The Associated Press reported, and said they were carried out by Islamic

Jihad, the same radical group that claimed responsibility for the truck-bombing of the U.S. Marine headquarters in Beirut in October 1983.

But IRNA, the Iranian news agency, reported that Prime Minister Mir Hussein Mousavi emphatically denied Tuesday that Iran was involved in the mining. The agency quoted Mr. Mousavi as saying at a press conference in Tehran that "Iran has not been involved in this issue in any way." He said that although the shadowy Islamic Jihad professes support for Iran, "its nature is unknown to the Iranian government."

Thereafter, in an Arabic-language broadcast monitored in London, he said: "All the arrogant powers are helpless, unable to save the dozens of ships facing destruction in the Gulf of Suez and the Red Sea every day."

Islamic Jihad is believed to be composed of Shiite Muslim extremists, but some diplomatic sources have speculated that other extremist groups may be using the name. Shiism is the dominant Muslim sect in Iran.

■ **Iraqi Jets Strike Tanker**  
 BAHRAIN — Iraq ended almost a month's lull in attacks on tankers in the Gulf war with a missile strike Tuesday against a Greek-owned supertanker loaded with Iranian oil.

An Iraqi military spokesman said on Baghdad Radio that Iraqi jets "hit accurately and effectively" a ship south of the main Iranian oil terminal of Kharg Island in the northern Gulf.

Independent shipping sources confirmed that the 122,952-ton Liberian-registered *Friendship* L, carrying 260,000 metric tons of oil that it took on board at Kharg on Monday, was struck by a missile. It was the 20th confirmed strike

against merchant vessels in the Gulf since mid-April, but the first since July 10, when a British tanker was hit by two Iranian missiles.

A fire on board the *Friendship* L was quickly put out and no casualties were reported, the sources said. At least two tug boats went to aid the tanker, which was 24 miles (39 kilometers) south of Kharg Island.

The Greek Merchant Marine Ministry said the tanker would continue to Rotterdam under its own steam. Slight damage was reported to a fuel tank, where the fire broke out, and to the engine room. Oil traders in Rotterdam said news of the attack helped push up prices for oil on the European spot market.

■ **Crew Reportedly Safe**  
 In a ship-to-shore telephone conversation with authorities in Bahrain, the tanker's second mate said all crew members, nine Pakistanis and 15 Greeks, were safe. The Associated Press reported from Bahrain.

Iraq has been bombing shipping in an attempt to cripple Iran's oil-based economy. Iraq's shipping access to the Gulf was cut off shortly after the war broke out in September 1980.

Since the last confirmed attack, on the British tanker *British Reunion*, hopes had risen in the Gulf capitals that the war would not be widened, especially as peace overtures began emerging from Tehran.

In response to Syrian mediation, Iranian minister for revolutionary affairs, Mohsen Rafikdoust, was quoted Sunday as saying that Iran was "committed not to attack any tanker in the Gulf and has no ambition in any Arab country."

But a Western diplomat who did not wish to be identified said after the latest attack, "It will basically depend on Iran's reaction now whether the cycle of attack and counterattack on oil tankers in the Gulf will resume."

■ **Bonn Tightens Controls**  
 West Germany tightened controls Tuesday on the exporting of chemicals after reports that Iraq would be able to convert a German-made pesticide plant to make nerve gas. Reuters reported from Bonn.

Bonn recently confirmed that Chancellor Helmut Kohl had ordered investigators to follow up a tip from the United States that Iraq could use the plant, being assembled near Baghdad, to make the binary nerve gas Tabun.

The West German company Pilot Plant, which supplied the equipment for the factory, said that poison gas production could not be ruled out. Iraq has denied reports that it is using chemical weapons against Iran.

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■ **Pan Am reported a loss of \$49.8 million for the second quarter, in contrast to a profit a year earlier.** Page 11.

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## Traveling in Kenya: From Matatu to Zebra Bus

communal Taxis and Tourist Vans Endangering Both Man and Beast

By Alan Cowell  
 New York Times Service

NAIROBI — If art reflects life, the baked clay model of a zebra says something about the Kenyans' life. It says a lot, too, about how some of them die. The zebra sculpture depicts a communal taxi van.

The vehicle sags on expiring springs. Four people are pressed so familiarly across the front. One of them, half in and half out, is the driver.

Those in the rear are similarly squeezed in. Men hang from the open door in the manner of Beirut yamen. Slogans on the side promote, appropriately, "See you in heaven." Amid the luggage atop the vehicle, two chickens cast a furtive gaze.

Such transportation, rarely a delight, is common in Africa — the "house" of the French-speaking, the mammy wagon of Serbia. In Kenya, they are called *matatus*, the name being derived in the Swahili word for "three" — a reference to the three or four passengers.

Registration of the *matatus* as public service vehicles would commit their owners to maintaining them in good shape and to employ-

ing drivers who are at least 24 years old.

Matatus, like communal taxis in many other African countries, embody capitalism. A man, for instance, might own several of them and then hire a driver for each one. The drivers will be told that, at the end of each day, they must bring back a prearranged take. Anything above that is theirs, so their impulse is to pack the *matatu* with fare-paying passengers and drive at great speed so as to be able to complete their allotted runs as often as possible.

In the process, maintenance gets neglected. Some *matatu* drivers say the government's insistence on registration is designed to protect wealthy fleet owners, who can afford to have their vehicles serviced, and so squeeze lesser operators out of the market.

The job of checking the *matatus* is left to the police, whose constables have a symbiotic relationship with the drivers. That relationship flourishes, in particular, toward the end of the month as payday approaches and policemen's pocketbooks grow slender. Then, the police will erect more roadblocks and check more *matatus* so that a little

more of the drivers' take is diverted to the policemen's welfare.

Another newspaper, *The Standard*, said, "Too many *matatu* drivers know that when the main drive of any campaign is over and it is left to individual police patrols to enforce the law, a modest bribe is enough to prevent prosecution."

If there is a form of transportation that is as commonplace as the *matatu*, it is the zebra-striped buses that carry tourists to Kenya's game parks and reserves. Each morning, the buses fill with visitors dressed in olive green and khaki, like small armies of middle-aged guerrillas, festooned with cameras instead of rifles. They are central to Kenya's economy.

Tourism dropped off after an attempted coup on Aug. 1, 1982. Now it is reviving. About 350,000 tourists visited Kenya last year, and the government's goal is to increase the figure to one million in the next five years.

But, according to some of the many environmentalists who have taken up residence in Nairobi, the tourists are an ambiguous asset.

The reason is that the custom is to pursue wild animals across the

limits of mortality. The passengers travel with a stoical fatalism.

Of the 35,000 *matatu* operators in Kenya, the newspaper *The Daily Nation* said: "The speed merchants, who overcrowded their vehicles, do nothing to maintain them and ultimately disrupt traffic, cause unnecessary accidents and often death, are in the majority."

A *matatu*, by its own definition, is never full. It may seem crowded, but there is always room for one more passenger.

A ride in a *matatu* is a daily experience for hundreds of thousands, perhaps millions, of less-well-heeled Kenyans. Debate has flourished recently between the government, which wants the *matatus* licensed as public service vehicles, and the operators, who want no limits on their spirit of free enterprise.

The discussion is laced with intimations of corruption and what President Daniel Arap Moi has called his compatriots' "lust for money."

Registration of the *matatus* as public service vehicles would commit their owners to maintaining them in good shape and to employ-



A matatu, operating at normal capacity, on a street in Nairobi.

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## British Miner's House Firebombed as Violence In Walkout Escalates

**United Press International**  
LONDON — Striking miners on Tuesday threw a gasoline bomb at the home of a colleague who returned to work, and police reported attacks around the country in an escalation of violence in Britain's coal strike.

No one was injured in the bomb attack at Mansfield in Nottinghamshire, but police called it a matter of "great concern."

## Polluted Water Moving Toward California Supply

**Los Angeles Times Service**  
WASHINGTON — Polluted water from the Stringfellow Acid Pits near Riverside, California, is moving faster than expected and could contaminate the water supply of 500,000 Southern Californians within a year, according to a special congressional report released Tuesday.

The underground plume of water has reached the edge of the Chino Basin, a key water source for communities in Los Angeles and Riverside counties, and will enter the main flow in a year to 18 months, the study by Congress's Office of Technology Assessment said.

The report also concluded that current efforts to stop the wastes from spreading "have a high potential for failure." In Glen Avon, a town a mile and a half (about 2.5 kilometers) from Stringfellow, residents with private wells are using bottled water because of the pollutants.

Engineers and health officials long have worried that the toxic wastes might spread through the underground water network, but the report was the most detailed and disturbing warning yet about danger to other cities.

Acids, metals, solvents and pesticides were dumped at Stringfellow between 1956 and 1972, according to the report, prepared for Congress by G.J. Trezek of the University of California, Berkeley. Two of the metals, chromium and cadmium, are suspected of causing cancer.

## Moscow Launches Satellite

**Reuters**  
MOSCOW — The Soviet Union launched the 1,587th satellite in its Cosmos series Monday. Western experts said it was probably a reconnaissance craft.

"It was the first gasoline-bomb attack in the present dispute," a police spokesman said. "Lives could be lost if this sort of thing spreads."

At least two persons have died, hundreds have been injured and more than 5,200 arrested in fighting with police at coal mines throughout the country since the walkout started 22 weeks ago.

It is the worst labor crisis faced by Prime Minister Margaret Thatcher during her five years in office.

The National Union of Mineworkers struck in March to protest plans by the National Coal Board to shut 20 unprofitable mines and eliminate 20,000 jobs.

The proposal split the union, with an estimated 55,000 out of 175,000 miners, mainly in the Nottinghamshire district, refusing to strike.

On Tuesday, miners and police clashed for the second day as strikers tried to blockade five mines. Police said a total of 12 miners were arrested Tuesday. One policeman and a miner were injured.

One man was arrested in Derbyshire in central England when 1,000 strikers formed a picket line. At a mine near File, Scotland, 200 picketing miners clashed with police. Eleven miners were arrested, and one miner and a policeman were injured.

There were similar scenes at three mines in the Yorkshire district of northern England, the region that has given the strike its most solid support.

One of the leaders of the move to break the strike kept his identity secret until last weekend. Chris Butcher, 34, now has a police escort and guards at his home.

The coal board chairman, Ian MacGregor, Monday sent personally signed letters to miners appealing for an end to the strike.

## NASA Delays Launch Of New Space Shuttle

**Washington Post Staff**  
WASHINGTON — The National Aeronautics and Space Administration has delayed until Aug. 29 the first launch of the space shuttle Discovery, whose takeoff was aborted on June 26 when computers ordered its main engines shut down four seconds before liftoff.

The new launch had been planned for Aug. 24. But Jesse W. Moore, NASA's associate administrator for space flight, said the crew had asked for more time to train with its new payload.



Javier Pérez de Cuéllar, left, the UN secretary-general, met Tuesday with the Turkish Cypriot representative, Necati Murr Ertekin, right, for talks on solving the Cyprus issue.

## UN Chief Meets With Turkish Side In New Effort to Solve Cyprus Dispute

**The Associated Press**  
VIENNA — Javier Pérez de Cuéllar, secretary-general of the United Nations, met Tuesday with a representative of the Turkish Cypriot community as part of his new initiative to settle the Cyprus problem.

The secretary-general and Necati Murr Ertekin were to hold two sessions during the day. They had no comment after their morning meeting.

Mr. Pérez de Cuéllar held similar sessions Monday with Andreas Mavromatis, representing the Greek Cypriots.

"I hope this appeal by the secretary-general to have his working points carefully considered by the two parties will be carefully listened to," Mr. Pérez de Cuéllar said after his second meeting Monday with Mr. Mavromatis.

He added that he would be submitting the same "working points" to Mr. Ertekin.

Mr. Mavromatis, who returned to Cyprus Monday night, said the suggestions "need more study. It is not possible at this stage to speak of either optimism or pessimism."

Greek and Turkish Cypriots have been disputing the Turkish military occupation of the northern third of the island, which dates from 1974. Turkish Cypriots declared an independent republic last November, but no nation except Turkey recognizes it.

The Greek side demands an end to the Turkish Cypriot move for independence and the withdrawal of Turkish troops.

**Turks Want Shared Rule**  
Rauf Denktaş, the Turkish Cypriot leader, vowed Tuesday to maintain the independent state he

declared in northern Cyprus last November, Reuters reported from Nicosia.

"We have acquired our rights, which for 20 years were assumed to be nonexistent. Honorable people cannot give this up," Mr. Denktaş said.

Mr. Denktaş wants the Greek Cypriot majority on the island to agree to a structure in which the two sides would share power equally.

Aluminum phosphide is a grain fumigant that has become more widely used since the EPA earlier this year banned ethylene dibromide for use on stored grains. Aluminum phosphide is used in pellet form, which reacts with oxygen to form deadly phosphine gas.

EPA officials said Sunday that they expect only minimal environmental damage from the dumping because the chemical breaks down rapidly into phosphoric acid.

Roger Meachum, an EPA spokesman in Dallas, said the agency suspected that some of the pellets had not been sufficiently coated with paraffin to prevent premature contact with the air.

The aluminum phosphide was manufactured in Brazil and destined for a U.S. distributor. While imported pesticides must adhere to the same safety requirements as U.S.-manufactured chemicals, EPA officials said that the shipments are subject to few inspections.

"We'll do some kind of follow-up to see what went wrong," Mr. Meachum said. "We don't have enough information to know what happened."

Coast Guard officials said they sought the dumping permit after a major hazardous-waste incinerator declined to accept the material and Texas officials vetoed the idea of transporting it across the state to a landfill.

"The ocean was the safest and only option we had," Lieutenant Kathleen Donohue of the Coast Guard said. "We couldn't find anyone else to take this stuff off our hands."

**7 Slain in Village**  
Earlier, The Washington Post reported from Tegucigalpa, Nicaragua: From 150 to 200 anti-government guerrillas, wearing the blue uniforms of the U.S.-financed Nicaraguan Democratic Force, slit the throats of seven unarmed men on July 27, according to Tegucigalpa residents.

Six residents said Saturday that there was no fighting before the killings because the villagers' only arms were machetes. They said the rebels carried Belgian-made automatic rifles.

The Sandinistas have charged that the victims were chosen as part of a recently accelerated assassination campaign by the rebels against the Sandinist government and its sympathizers in central Nicaragua.

**Warsaw Frees Key Adviser to Solidarity Union**  
Warsaw — Polish authorities freed a second prominent dissident and adviser to the outlawed Solidarity union from jail Tuesday under a government amnesty for political prisoners.

Zbigniew Romaszewski, one of the four co-founders of the disbanded Workers' Defense Committee, KOR, that helped to form Solidarity, was released from jail in Warsaw. Earlier, Adam Michnik, one of Solidarity's most outspoken advisers, was also freed under the amnesty.

"The authorities have made us very popular by putting us in prison, and the amnesty is their attempt to normalize the situation," Mr. Romaszewski said later. "I hope there will be a possibility for me to continue to operate."

**Swiss Official's Home Blasted**  
Zurich — The home of the Swiss justice minister, Rudolf Friedli, was damaged when explosives strapped to the shutters were detonated. No one was hurt in the explosion Monday night at Winterthur, 26 kilometers (16 miles) from Zurich, and there was no obvious motive, police said Tuesday.

## U.S. Dumps Pesticide in Mexico Gulf

### Officials Fear Explosion Of Chemical Canisters

**By Cass Peterson**  
*Washington Post Service*

WASHINGTON — More than 10 tons of a toxic pesticide are being dumped into the Gulf of Mexico on orders of U.S. federal officials, who fear that the chemical was manufactured improperly and could explode.

The Environmental Protection Agency granted an emergency ocean-dumping permit Friday, authorizing the U.S. Coast Guard to dispose of more than 7,000 canisters of volatile aluminum phosphide about 110 miles (175 kilometers) south of Galveston, Texas.

Part of the shipment exploded July 27, apparently when a ship-punctured canister was killed and eight were injured.

The rest of the load was moved to an isolated area at the port of Houston, but federal officials became alarmed last week when it appeared that some of the metal canisters were heating up.

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**Kenya Travel Poses Threats**  
(Continued from Page 1)

savannah in some game parks, irrespective of where the road goes, to photograph them in their natural habitat. In the process, conservationists maintain, the habitat is damaged by the fire.

That conservationists should be at loggerheads with tourists is no surprise since, as some of those involved in preserving wildlife will acknowledge, some of their kind become overprotective toward the animals, regarding them in the end as their own.

The conflict sharpens with the balloon safaris that carry visitors aloft to view great herds. A conservation-minded visitor said recently that he had been perturbed by the sight of a huge, colored balloon floating over the reserve. So, too, he said, had the elephants.

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## WORLD BRIEFS

### Norway Accuses Libya of Torture

OSLO (Reuters) — A Norwegian government minister accused Libya on Tuesday of torturing two seamen and demanded the punishment of those involved in the death of a 52-year-old seaman, Bjorn Pedersen. Thorbjørn Froyens, deputy foreign minister, said during an inquiry here that Norway would protest in the strongest possible terms the alleged torture of Mr. Pedersen and the treatment of the crew of the Norwegian cargo ship Germa Lionel. The ship's captain, Sigvard Dahl, told the court of inquiry that Mr. Pedersen was beaten to death during an interrogation on May 13.

The ship was seized in the Libyan capital of Tripoli on May 11, three days after an abortive raid against the regime of Colonel Moammar Qadhafi. Libyan officials said the ship had sent signals, a charge Norwegian authorities have denied.

### PLO Blocs Plan Reconciliation Talks

TUNIS (UPI) — Factions of the Palestine Liberation Organization will hold talks aimed at reconciling differences before a September meeting of the Palestinian National Council, the Palestinian news agency Wafa said Monday. The talks are to be held Wednesday in Algiers. The report did not specify which groups would attend the gathering. Four PLO groups — al-Fatah, the Popular Front for the Liberation of Palestine, the Palestine Liberation Front and the Palestinian Communist Party — signed an agreement last month to bury their differences.

Other groups, closely linked to Syria or Libya, have made their participation in the talks contingent on Yasser Arafat's removal as PLO chairman.

### 7 Japanese Injured in Earthquake

TOKYO (AP) — Seven persons were reported to have been injured early Tuesday when an earthquake registering 7.2 on the open-ended Richter scale rattled areas of the southern Japanese island of Kyushu. National Police Agency officials said most of the injured were cut by broken glass.

The tremor caused a temporary power blackout in about 30,000 homes in the city of Miyazaki, the Kyodo News Service reported. Trains were stopped along five routes.

### U.S. Denies Backing Sikh Separatists

NEW DELHI (AP) — The U.S. Embassy denied Tuesday that the United States supports the Sikh separatist movement in India and called a newspaper report to that effect "a fabrication."

The report, which appeared last weekend in the Hindustan Times, said two leaders of the Sikh secessionist movement, Ganga Singh Dhillon and Jagjit Singh Chhabra, were "both on the payroll of the U.S. Defense Intelligence Agency." Prime Minister Indira Gandhi denied Monday that in a speech Sunday she said a "Washington-based espionage agency" was aiding Sikh separatists in Punjab.

### Poland Is Happier With U.S. Move

WARSAW (AP) — Jerzy Urban, the Polish government spokesman, said Tuesday that the U.S. decision to lift two lesser economic sanctions against Poland was a "potentially positive event" that could lead to improved relations.

"It is a small step, but going in the right direction," Mr. Urban said, softening criticism he voiced when it was announced Friday that the United States would lift a ban on scientific exchanges and restore U.S. landing rights for LOT, the Polish national airline.

Then, Mr. Urban demanded that the United States lift two stronger sanctions — a ban on new credits and the downgrading of Poland's trading status. "There is a saying that a spoon of birch tar spoils a barrel of honey," he said. "The recent step by President Reagan is like adding a spoon of honey to this barrel of birch tar of American anti-Polish policy."

### U.S. Fires 'Battle-Hardened' Missile

CAPE CANAVERAL, Florida (AP) — A Pershing-2 missile that was bounced over gravel roads for weeks and kept in a deep freeze for five days was launched Tuesday in a test that simulated conditions the missile might encounter on a European battlefield.

The 35-foot (10-meter) missile, which is being deployed in West Germany, was fired successfully, carrying a dummy nuclear warhead toward a target area in the Atlantic. The U.S. Army Missile Command reported that both stages of the missile performed flawlessly and released the warhead on schedule.

### Pershing-2 Passes Mock Combat Test

CAPE CANAVERAL, Florida (AP) — A Pershing-2 missile successfully fired a dummy nuclear warhead 981 miles (1,586 kilometers) to an Atlantic Ocean target Tuesday after surviving five months of tests designed to simulate the worst possible conditions of a European battle field.

The 35-foot (11-meter) missile, which is being deployed with North Atlantic Treaty Organization forces in West Germany, had been after nately frozen and thawed and bounced over more than 1,000 miles of rocky roads on its mobile launcher.

The U.S. Army Missile Command reported that both stages performed as planned and released the warhead into the ocean on schedule.

### South African Minister Will Resign

PRETORIA (Reuters) — The minister responsible for enforcing South Africa's policy of moving blacks to tribal homelands announced his resignation Tuesday.

Pieter G.J. Kooze, 59, minister of cooperation and development since 1978, said he would step down from the government and parliament on Sept. 3. On that day, a new constitution will give a limited political voice to people of mixed race and Indians.

### Uganda Suspends U.S. Arms Accord

KAMPALA, Uganda (UPI) — Uganda suspended its military cooperation agreement with the United States on Tuesday and declared a U.S. Army colonel persona non grata in retaliation for critical remarks in Washington about the country's human rights record.

A government spokesman cited a statement by the U.S. assistant secretary of state for human rights, Elliott Abrams, that U.S. efforts to end the bloodshed in Uganda have been fruitless.

The suspension of the \$100,000 military aid program and the barring of Colonel H.M. Baker, the U.S. military attaché in neighboring Malawi, represent the lowest point in relations between the two countries since President Milton Obote came to power in 1980.

### For the Record

A U.S. federal jury acquitted Judge John G. Laurie of Cook County Circuit Court in Illinois on Monday of charges that he accepted money from lawyers who wanted either to win their cases or to be able to solicit clients outside his courtroom.

President Fernando Belaunde Terry of Peru announced Tuesday a two-month extension of a state of emergency and suspension of civil rights in an effort to combat mounting guerrilla violence.

Saying they had broken the illicit methamphetamine market, U.S. officials unsealed indictments Tuesday in Miami charging 57 people with shipping 34 tons of pills and powder to the United States from 1979 to 1983.

Methamphetamine, used to make Quaalude tablets, is a depressant. Sixty-one members of the U.S. House introduced a bill Tuesday to amend the War Powers Resolution to insure that the president cannot send U.S. troops into combat without congressional approval. The president can now commit troops for up to 90 days without congressional consent.

Two U.S. men were sentenced in London on Monday to 15 years each in British prisons for stealing \$3.6 million in jewels that have never been recovered. Joseph Scasale, 46, and Arthur Rachel, 47, were arrested in September 1980 in Chicago after a flight from London following the armed robbery of Graff's jewelry store in Knightsbridge.

A Spanish civil guard patrol killed a suspected Basque separatist guerrilla during a shoot-out in the northern town of Oyarzun on Tuesday. Two of the guards were wounded.

A Sri Lankan man who complained of the coldness of the English Channel died Monday while trying to swim to France. Kumar Anandaratne, 41, of Colombo was dead on arrival at a Canterbury hospital.

In the fifth case of capital punishment reported in the Soviet province recently, a Georgian man has been sentenced to execution by firing squad for killing a police officer and another man after a traffic argument.

Four men charged in an alleged theft and corruption racket at the Rolls-Royce engine company were granted bail by a court in London on Tuesday.

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## U.S. Senate Approves Bill to Assure Women's Rights to Pension Benefits

By Jane Perlez  
New York Times Service

WASHINGTON — The U.S. Senate has approved legislation designed to make it easier for women to earn retirement benefits under employee pension plans, either their own or their own.

The pension changes, which would apply to both men and women, have been pushed by legislators in both parties as a symbol of concern for women's rights. President Ronald Reagan has said he will sign the bill.

The bill passed the House of Representatives unanimously in May and was approved Monday in the Senate by a voice vote. Sponsors said there was no need for a conference and that the bill would return to the House on Wednesday for a final vote on minor differences in the Senate version.

Proponents of the legislation have argued that women are hurt economically by provisions in 1974 private pension bill that they say benefits men but not women.

The Pension Rights Center, a nonprofit group in Washington that lobbied for the bill, said Monday that a 1978 study by the Department of Labor estimated that about 10,000 widows were losing benefits each year. The reason was that the women's husbands had died before the early retirement age, usually set at 55, and had not signed over his benefits.

Senator Robert J. Dole, Republi-

can of Kansas, was the key sponsor of the bill in the Senate.

"I believe that this legislation, in particular the more generous participation and vesting rules, will significantly improve the likelihood that women and others whose work patterns do not fit into the traditional mode will actually receive a retirement benefit," Mr. Dole said Monday.

The bill's main sponsor in the House, Representative Geraldine A. Ferraro of New York, argued in debates on the bill that women were being cut off from pension benefits because they generally earned significantly lower salaries than men and because their work patterns were more disrupted by raising families.

The President's Commission on Pension Policy of 1980 reported that in 1979 50 percent of employed men were covered by pension plans, whereas 31 percent of women were covered. And in 1981, the Census Bureau estimated that the average private pension received by a man was \$4,152 a year, as against an average of \$2,427 for a woman.

A major portion of the legislation would require a spouse's written permission before an employee could waive survivor benefits. This is intended to make it more likely that survivor benefits will be paid to homemakers who depend on the pensions of their working spouses, according to Marsha Ackerman, an

aide to Ms. Ferraro, the Democratic vice-presidential nominee.

Another major portion of the bill entitles a person to survivor benefits if his or her spouse dies at age 40 after working for 11 years. These benefits will be received when the surviving spouse reaches 55.

The bill approved Monday also:

- Lowers from 25 to 21 the age at which workers must be allowed to participate in pension plans.
- Requires pension plans to count the years of employees' service from the time they turn 18, in calculating when they have worked long enough to be eligible for a pension at retirement. The age now used for that calculation is 22.
- Allows employees who have worked fewer than five years to take five years off without losing pension credit for earlier service. It also bars pension plans from counting a one-year maternity or paternity leave as a break in service.
- Authorizes a court to award a person the right to part of his or her former spouse's pension as part of a divorce settlement.

It also specifies that decisions to waive pre-retirement survivor benefits must be made after a worker turns 35, with the spouse's permission, and that decisions to forgo post-retirement survivor benefits be made within 90 days before pension payments begin.



Rafael M. Salas at the population conference in Mexico.

## Clausen Urges More Aid To Population Programs

The Associated Press

MEXICO CITY — The president of the World Bank called Tuesday for increased aid to population programs as delegates from 140 countries began their first full round of debate at the United Nations-sponsored International Conference on Population here.

Even a small increase could make a vast difference to population growth and to maternal and child health, said A.W. Clausen, whose report is among the most widely circulated documents at the UN conference.

Although Mr. Clausen made no direct reference to the controversy over President Ronald Reagan's policy that suggests poor nations can cope with population growth through economic progress, he strongly endorsed continued population planning and assistance.

Mr. Clausen said the World Bank's report, presented last month in Washington, offers evidence showing that the international community must work together in a renewed effort to slow population growth.

"Such an effort is critical to the drive to accelerate economic and social development," he said.

The U.S. policy paper prepared for the conference says too much government control and planning in Third World countries held back economic growth that could have led to a birth rate decline.

"Rapid reductions in population growth, and indeed rapid improvements in living standards," said Mr. Clausen, "plainly require a combination of economic and so-

cial development with family planning."

(The U.S. policy may be at odds with the views of most nonindustrialized countries, according to the director of the United Nations Fund for Population Activities, the Los Angeles Times reported.)

[Rafael M. Salas noted: "The interpretation of the majority of the developing countries, representing more than 68 in number and 80 percent of the population, is that something has to be done with population growth with development plans."]

Mr. Clausen also endorsed the work of private organizations in family planning.

"We know well the outstanding record of nongovernmental organizations in this field," he said, "and the bank encourages continuing and growing support for them from the developing countries and the donor community."

■ **Israeli Occupation Criticized**

Queen Noor of Jordan raised unexpected controversy at the conference by criticizing Israel's occupation of the West Bank and Gaza Strip, Reuters reported from Mexico City on Tuesday. Israel did not exercise its right of reply.

## Church-State Relations Top Agenda Of New U.S. Supreme Court Session

By Linda Greenhouse  
New York Times Service

WASHINGTON — The next Supreme Court term is shaping up as a potential watershed in the constitutional relationship between government and religion.

The court has been on its summer recess, mainly out of sight, as Congress has debated school prayer and "equal access" for religion and President Ronald Reagan has pushed his religious agenda to the forefront of the campaign.

But the justices could soon again be at center stage. There are three major cases involving religion on the agenda for the term that begins barely a month before the November election. They include some of the most hotly disputed church-state issues: religious observance in the classroom, state aid to parochial schools and on-the-job accommodation of employees' religious preferences.

Any of the three cases could be the vehicle that Chief Justice Warren E. Burger and his allies on the court have been seeking for a fundamental revision of the court's doctrines on the separation of church and state.

For many years, the court's emphasis in religion cases was on the concept of separation. But the court's emphasis in recent decisions has shifted to quite different concept: accommodation. Instead of asking how religion and government can best be kept apart, the court is now much more interested in deciding what government can or must do to remove obstacles to voluntary religious observance.

The concept of accommodation is not new. Just as separation has its roots in the First Amendment's "establishment clause," which states that "Congress shall make no law respecting an establishment of religion," the notion of accommodation is independently rooted in the next six words of the same sentence: "or prohibiting the free exercise thereof."

Accommodation has always figured as a kind of subtext to the court's separation decisions. But when the court ruled last March that the city of Pawtucket, Rhode Island, could include a Nativity scene as part of its official Christmas display, accommodation assumed a major new dimension.

"Nor does the Constitution require complete separation of church and state," Justice Burger wrote in his opinion for the 5-to-4 majority. "It affirmatively mandates accommodation, not merely tolerance, of all religions, and forbids hostility toward any."

A powerful advocate for accommodation is the Reagan adminis-

tration, which has entered all three cases as a friend of the court.

The administration is arguing in defense of an Alabama law permitting public school teachers to start the school day with a moment of silence "for meditation and voluntary prayer"; a Michigan school district's "shared time" program, which sends public school teachers into the parochial schools to teach remedial and enrichment classes, and a Connecticut law that gives a private-sector employee the absolute right not to work on a day the employee designates as the Sabbath. In all three cases, the statutes or programs were struck down by appellate courts on the ground that they amounted to an unconstitutional "establishment" of religion.

None of the cases directly involves the federal government. But all three give the administration an opportunity to press its argument that the court's precedents have turned the establishment clause, as the government says in its brief in the Connecticut case, into "an instrument of hostility toward religious toleration."

In its brief in support of the Alabama "moment of silence," the administration argues that to hold unconstitutional an opportunity for silent prayer "is to insist that any opportunity for religious practice, even in the unspoken thoughts of schoolchildren, be extirpated from the public sphere."

While the Connecticut case, *Thornton v. Caldor Inc.*, deals with a subject that is less familiar than school prayer or parochial aid, it brings the issue of separation versus accommodation into the sharp focus.

The Connecticut Supreme Court declared unconstitutional a law that prohibited any employer from requiring an employee to work on the day the employee designated as the Sabbath. The Connecticut court said that because the law did not apply to time off for nonreligious reasons, it lacked a valid secular purpose and had the impermissible "primary effect" of "advancing religion."

The administration's argument is that the very existence of the free-exercise guarantee gives religion a "special status" and that the government may seek to accommodate or protect religiously motivated claims of conscience even where it does not accord the same treatment to other strongly held beliefs.

## Lange Said to Bar Change in Ban on U.S. Nuclear Ships

United Press International

PORT MORESBY, Papua New Guinea — Prime Minister Bob Hawke of Australia reportedly failed Tuesday to persuade New Zealand's new prime minister, David Lange, to drop his ban on U.S. nuclear warships visiting New Zealand ports.

Mr. Hawke and Mr. Lange, visiting Papua New Guinea for a Commonwealth regional meeting, met for the first time since Mr. Lange's Labor government came to power in elections on July 14.

Australian government officials said that Mr. Hawke told Mr. Lange privately that he believed their defense alliance with the United States, known as ANZUS, required its members to allow nuclear warships to visit their ports.

But Mr. Lange told Mr. Hawke that the ban, part of his government's drive for a nuclear-free South Pacific, is not negotiable, officials said.

Mr. Lange said he would discuss the alliance with U.S. Secretary of State George P. Shultz during a visit to Washington in September.

## Reagan, Bush Conflict On Tax Increase in '85

(Continued from Page 1)

reconcile Mr. Reagan's approach with his, Mr. Bush said with a smile. "Just take your guidance from his statement, I'd suggest."

The differences between Mr. Reagan and Mr. Bush overshadowed the vice president's attempt to depict Mr. Mondale as a "Dr. Yes" who would be quick to raise taxes and would increase them more than he has said.

"In order to balance the budget, a president has to use the word 'no,'" Mr. Bush said earlier while campaigning in Portland, Oregon, and again at his press conference in Santa Barbara.

He added:

"Mr. Mondale, in promising anything that would deliver a few delegates to the Democratic National Convention, has rightfully earned the name of Dr. Yes and the question becomes, 'How high would Dr. Yes raise the taxes of

working Americans to pay for his promises?'"

Mr. Bush, in trying to deflect reporters from his apparent differences with Mr. Reagan, said, "Please reference tax-increase questions to Mr. Mondale. They're the people who want to raise taxes. We're going to struggle not to."

But Mr. Reagan's declaration that he would not allow any plans for a tax increase would seem to be in conflict with a current Treasury study, due a month after the November 6 election, on tax simplification.

Most tax-simplification proposals involve some change in deductions that would result in a tax increase for some Americans.

Mr. Bush also was asked whether he would debate Geraldine A. Ferraro, the Democratic vice-presidential candidate.

He said that he was "perfectly prepared to debate" and that he believed that Mr. Reagan shared his view. Pressed to give a firm answer, Mr. Bush said, "I'm perfectly willing to debate her, and no final decision has been made."

Republican strategists are clearly nervous about Ms. Ferraro. Mr. Bush has yet to mention her name in any speech or news conference except in response to questions.

## U.S. Lawyers Assert 'Stings' Are Too Barbed

The Associated Press

CHICAGO — The U.S. government is relying too heavily on large cash bribes and unscrupulous informers in undercover operations to trap criminals, lawyers told an American Bar Association workshop.

"The monetary inducements being made to the targets of these investigations is becoming greater and greater," Michael Monico, a Chicago criminal defense lawyer, said Monday. "And the efforts are not to see if the target will commit a crime, but to get him to commit a crime."

A former special prosecutor in the Watergate scandals, James F. Neale, said that "the proof that the defendant was predisposed to some criminal act now seems to be nothing more than the fact that he took the bait."

But U.S. Attorney Dan Webb, who is chief prosecutor in cases arising from investigations of corruption in the Cook County, Illinois, courts, said that undercover operations "are a tool that tends to enable law enforcement agencies to keep up with the times."

## Budget Office Lowers Forecast Of U.S. Deficits

Los Angeles Times Service

WASHINGTON — The Congressional Budget Office has revised its earlier budget projections to show lower federal deficits, acknowledging that its economists were surprised by the "quite astounding" growth in the U.S. economy.

Primarily because of a package of tax increases and spending cuts approved by Congress last month, the budget office said that current policy will produce an increase in federal deficits from \$172 billion in the current fiscal year to about \$263 billion in 1989. In February it projected an increase from about \$189 billion to \$308 billion.

The office's director, Rudolph Penner, said the forecast was based on a projection that unemployment would decline next year to 6.7 percent from a current 7.5 percent rate and inflation would rise to 5.2 percent after 4.5 percent this year. In the following years, economic growth would average slightly more than 3 percent.

Larry Speakes, deputy White House secretary, said the Reagan administration would put out its own mid-year economic review later this week projecting much lower deficits. "The CBO, as usual, assumes lower growth than we are assuming," Mr. Speakes said.

■ **'Voodoo Charge Revived'**

Mr. Mondale accused Mr. Reagan on Tuesday of practicing "voodoo economics" and jokingly suggested that the president debate Mr. Bush, United Press International reported from Toledo, Ohio.

"Just yesterday Mr. Reagan said that I wasn't telling the truth," Mr. Mondale told a crowd of Democratic Party workers and elected officials. "Well, who is telling the truth?"

He used the apparently conflicting remarks by Mr. Reagan and Mr. Bush on a tax increase to hawk back to 1980, when Mr. Bush accused Mr. Reagan during the race for the Republican presidential nomination of practicing "voodoo economics" because he had proposed balancing the budget by cutting taxes while increasing military spending.

"As you may know," Mr. Mondale said, "I've called for six debates with Ronald Reagan, but today I'm adding a seventh. I believe that Ronald Reagan and George Bush should have a national debate on television."

"Mr. Reagan says that he won't cut the defense budget," he added. "Yesterday he said he won't raise taxes. He says he won't cut the safety net and he says we'll have a balanced budget in this next term. How's he going to do that?"

## New U.S. Study Finds Asbestos Is Pervasive

By Philip Shabecoff  
New York Times Service

WASHINGTON — New information gathered by the U.S. government indicates that asbestos is much more pervasive in public and private buildings than previously realized and that it may present a complex national health and economic problem.

Asbestos, a building and insulating material widely used for years for its heat-resistant qualities, has been found to cause cancer and other severe illness in humans who breathe or swallow its fibers.

A recent survey by the Environmental Protection Agency, not yet made public, has found that as many as 700,000 buildings, including federal buildings and commercial office buildings and apartment houses, could contain asbestos in a crumbled or powdered state. Such asbestos is more likely to be inhaled or ingested, agency officials said.

Evidence that 100,000 to 200,000 private homes may contain such

asbestos, usually in aging forced-air heating and cooling systems, is being studied by the Health and Human Resources Department's National Institute of Environmental Health Sciences.

David P. Rall, director of the institute, said: "There is certainly asbestos paper in the ducts. Whether there is also fiber there we have to find out." He said the institute was supporting a survey conducted by Dr. Irving J. Selikoff and Dr. William Nicholson of Mount Sinai Medical Center in New York City to determine the extent of the problem.

The surveys are the first nationwide studies of asbestos exposure in public buildings and homes. Previous studies of asbestos exposure have focused on workplaces and schools.

A new environmental agency survey on asbestos in schools has found that about 15 million children and 1.4 million school employees are in buildings that contain asbestos. This is a substantially higher number of exposed people than previously estimated.

Efforts to remove asbestos from schools are hampered by high costs. The Department of Education has estimated an average cost of \$100,000 a school to clean up asbestos. The total amount needed to remove asbestos dangers in the nation's public and private schools is estimated at up to \$3 billion.

Alvin L. Alm, deputy administrator of the EPA, said the information on asbestos in public buildings was preliminary. He emphasized that the evidence accumulated so far presented "no cause for alarm." At the same time, the evidence does not give any cause for "complacency," said Mr. Alm, who is leading the agency's efforts to deal with the asbestos problem.

## Upper East Side Tops 'Richest' List

The Associated Press

CHICAGO — Manhattan's Upper East Side is the wealthiest large urban community in the United States, according to an academic researcher.

New York City has 8 and Chicago 3 of the nation's 20 most affluent such areas, said Pierre deVise of Roosevelt University.

Manhattan's Upper East Side, with almost 60,000 households, has average per capita earnings of \$32,000 a year, he said.

The second-richest U.S. community is Chicago's Gold Coast, the lakefront portion of the Near North Side, which has 26,400 households and a per capita income of \$27,400, he said.

In March, the U.S. Census Bureau declared Beverly Hills, California, with a per capita income of \$24,387, to be the wealthiest of cities with 25,000 or more population.

But Mr. deVise, who based his report on the same data, said the wealthiest communities were missed by the Census Bureau because their population is less than 25,000 or because they are contained within a larger metropolitan area.

Following is the ranking of the 20 richest large urban communities, number of households and per capita income, according to Mr. deVise's study:

1. Manhattan's Upper East Side, 60,000, \$32,000.
2. Chicago's Gold Coast, 26,400, \$27,400.
3. Manhattan's East River, 17,800, \$24,837.
4. Los Angeles's Hollywood Hills, 14,300, \$22,370.
5. Manhattan's Central Park South, 21,500, \$22,320.
6. Houston's Wood Lake-Tall Timbers area, 21,800, \$20,450.
7. Manhattan's East End, 18,000, \$20,211.
8. Manhattan's Central Park West, 25,300, \$20,056.
9. Washington's Capitol Hill, 15,000, \$19,670.
10. San Francisco's Pacific Heights, 17,800, \$19,610.
11. Washington's Georgetown, 20,600, \$19,550.
12. Manhattan's Upper Second Avenue, 38,600, \$19,025.
13. Chicago's East Lincoln Park, 12,500, \$18,650.
14. Manhattan's Murray Hill, 30,200, \$18,630.
15. Manhattan's Washington Square, 19,100, \$18,100.
16. West Los Angeles, 17,000, \$18,000.
17. Philadelphia's Center City, 17,500, \$16,685.
18. Chicago's New Town, 20,800, \$16,450.
19. Boston's Beacon Hill, 16,600, \$16,100.
20. Dallas's North Park, 21,400, \$16,000.

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# Herald Tribune

Published With The New York Times and The Washington Post

## Under the Human Volcano

Delegates to the World Population Conference under way in Mexico City need only look out the window to see the baleful shadow of a human volcano. Of 17 million people in Mexico's capital, two of five are jobless; a sixth lack sewage; all breathe a toxic smog. Government struggles to promote birth control in a mostly Roman Catholic society, to brake a growth that beggars it.

Yet in that place, and in the name of freedom, the Reagan administration aims to curb the freedom of others to decide how best to contain this human tide. It intends to stop contributing to any control programs that condone abortions. It even questions the value of family planning, preferring to blame the ill effects of fertility on Third World resistance to technology or capitalism. Or so asserts a White House paper prepared for the Mexico meeting.

If these ideas are truly policy, they may cost \$100 million from the \$540 million the United States annually contributes to a global effort to encourage smaller families. U.S. law and United Nations policy already stipulate that this money may not be spent on abortions. But abortions remain legal in many countries, including, of course, the United States.

Plainly, the administration would like a mi-

nority of Americans to believe that its values will decide which countries are morally fit for family-planning assistance. And this from an administration that struggles so hard against the dogmas of others in global forums.

The argument that free enterprise is the best remedy for explosive population increases is just one more dogma. Different societies have different experiences. In free-enterprising (and Catholic) Brazil, the government has now concluded that too many people means too little growth and is now promoting family planning.

But in any case, by what right or logic does the Reagan administration expound its doctrines as universal writ? The world's population has been growing geometrically, and at current rates will increase from 4.7 billion to 6 billion by century's end. Most of this increase will occur in poorer countries whose stability is at risk and whose governments plead for help.

Having helped to create that consensus, the United States now flees from it.

There is nothing immoral in Mexico's encouraging smaller, stronger families — or in France's providing incentives for larger ones. What is immoral is to chase votes at home by self-righteously castigating the poor abroad.

— THE NEW YORK TIMES.

## A Magic Budget-Balancer

It is nowhere near Thanksgiving, but President Reagan seems determined to bring back the biggest turkey of them all: the constitutional amendment purporting to require a balanced budget. As a political maneuver, it is transparent. As a fiscal measure, a fantasy. And if it were ever enacted, it would likely have gruesome, unanticipated consequences. Take these points in turn.

A transparent political device: Ronald Reagan and his Republican Party, unable to balance the budget in four years and unwilling even to promise to balance it in the next four, want to convince voters they really believe in it anyway. Presto! Alakazam! A magic constitutional amendment appears, promising to establish a balanced budget forever and ever. Mr. Reagan has done for the balanced budget issue what Richard Nixon did for the crime issue: He has made his and every other politician's promises unbelievable.

A fiscal fantasy: Mr. Reagan's own failure to come even remotely close to balancing the budget illustrates the problem. Americans do not want domestic spending cut significantly. They want military spending to continue to increase (though perhaps not quite as rapidly as Mr. Reagan intends). The only realistic way to attack the Reagan deficit is to increase taxes

—but Mr. Reagan refuses to contemplate this. Representative Carroll A. Campbell Jr. of South Carolina, an advocate of the amendment, was asked what tax increases and/or spending cuts he would advocate to balance the budget now. "There is no reason for me to outline that right now," he said. No reason, that is, unless he wants people to take his proposal seriously.

Gruesome consequences: From right to left, no serious observer believes a) that the federal budget can be balanced any time soon or b) that it is desirable to balance it each and every year. So the first thing that would happen, should Mr. Reagan's constitutional amendment actually pass, is that ways would be found to get around it. Figures would be cooked, statistics jumbled, a whole set of arcane circumlocutions developed, so that politicians and officeholders and judges could pretend that an unenforceable constitutional amendment was actually being enforced.

The Reagan position invites ridicule, and he no doubt will get it. Here is a politician, who has proved spectacularly unable to balance a budget, running around proclaiming his support for an automatic mechanism that will somehow do it for him.

— THE WASHINGTON POST.

## Other Opinion

### Qadhafi's Groundless Protest

It will be difficult for the United Nations to give moral support to Colonel Moammar Qadhafi's protest against what he charges was a violation of his country's air space by American planes in an exercise over the Gulf of Sidra. His original claim of sovereignty over the gulf was challenged by Mediterranean states as well as by the maritime powers. Even the Soviet Union joined the United States in 1974 in registering objections to Colonel Qadhafi's claim.

— South China Morning Post (Hong Kong).

### Settling Hong Kong's Future

None of the British newspaper commentary on the agreements reached with Beijing on Hong Kong mentions the immense difference between the way London has negotiated with the Chinese and the British attitude to Spain and Argentina over Gibraltar and the Falklands. Here indeed we see vindication of Mao Zedong's assertion that "power comes out of the barrel of a gun." In the case of Hong Kong the gun is in the hands of the Chinese.

— The New Zürcher Zeitung (Zurich).

The Hong Kong reversion question has much to do — in the future, if not at present — with a peaceful reunification of Taiwan and China. If Hong Kong is allowed to retain everything it now has except its sovereignty, then one can reasonably hope that Taiwan, too, will be allowed to maintain its status quo under Chinese rule.

— The Japan Times (Tokyo).

### Sudan, Divided, Might Stand

Twelve years ago, Gaafar Nimeiri ended a secessionist war that had lasted since before Sudan's independence in 1956 by granting southerners a large measure of autonomy. Last year he undid this good work by dividing the south into three parts. He has imposed Koranic law on Sudan. He says it will be applied only

### A Lesser Evil in Israel?

The grand Israeli coalition that Shimon Peres is trying to assemble is not a satisfactory instrument of government but it is better than another four years' of exposure to the Likud. Mr. Peres will not be able to get his own way in government (and there is still much doubt about what his own way is) but he will be able to block policies he doesn't like. We should soon be hearing the last, for example, of the three new settlements, two overlooking Nablus and one in Gaza, that the Shamir government authorized on the eve of the poll.

— The Guardian (London).

### On the Evolution of China

We still believe in the socialist goal, the goal of Communism. China had its revolution through this theorem. Mao particularly has the credit of combining the Marxist theorem with China's realities, though he made mistakes.

The great scientists made great contributions in their field. But they did not say the truth just ends there. It has to be developed and adapted to new discoveries. We have to develop how best to accelerate production to improve the livelihood of the people. And right now we think it's for the people to judge whether that policy is right or wrong, and the standard is whether that policy helped people to have a better livelihood and better security.

— Zhang Wenjin, Chinese ambassador to the United States, in the Los Angeles Times.

## FROM OUR AUG. 8 PAGES, 75 AND 50 YEARS AGO

**1909: Wright's Flight Record Beaten**  
PARIS — M. Roger Sommer, at Mourmelon (on Aug. 7), beat Mr. Wilbur Wright's record with an aeroplane flight lasting 2h. 27min. 15sec. Mr. Wright's record, until now the world's record, was 2h. 20min. 25sec. made at Le Mans last December 31. M. Sommer, says the "Temps," started at 3:14 in the morning by moonlight. He flew between the heights of 6 and 30 metres, coming to the ground at 5:41. The previous evening M. Sommer won the 1,000 franc prize founded by M. Saint-Macary for trainers of pilots. Between 8 o'clock and 8:10 he went three times round a loop kilometre, touching the ground after each circuit.

**1934: 'Ulysses' Cleared for Import**  
NEW YORK — The United States Circuit Court of Appeals, by a 2-to-1 decision (on Aug. 7), ruled that James Joyce's "Ulysses" is neither a lewd nor an immoral book and that its importation is proper. The decision upholds that of Federal Judge John M. Woolsey, admitting the book for sale in this country, against which the government appealed. The dissenting opinion was handed down by Judge Martin T. Manton, who presided at the hearing of arguments. Judges Learned Hand and Augustus N. Hand in the majority opinion held that "art certainly cannot advance under compulsion to traditional forms."

# The Nixon Presidency: Some Mitigating Circumstances

By Raymond K. Price Jr.

The writer, President Nixon's chief speech writer, was an editorial page editor of The New York Herald Tribune. This is the first of two parts.

WASHINGTON — During the final week of Richard Nixon's presidency, hostile crowds stood a triumphant deathwatch outside the White House gates. Inside, the few of us who were privy to the secret that he was moving toward resignation went about the grim business of preparing it. Just as the Watergate battle had looked very different from inside, so too did its denouement.

I delivered the first draft of his resignation speech with this note:

Aug. 7, 1974  
Memorandum for: The President  
From: Ray Price  
Subject: Resignation Speech

A first draft is attached. I'll be working on additional thoughts for it.

As I believe you know, I think this has become a sad but necessary decision in the circumstances. But I do hope you'll leave office as proud of your accomplishments here as I am proud to have been associated with you, and to have been and remain a friend. God bless you; and He will.

Americans still find Richard Nixon endlessly fascinating, partly because they find him so puzzling: such a seeming bundle of contradictions and confounders. He has been a major national figure for almost 40 years now, a central part of the political experience of three generations. Few leaders in history have gone so high and been flung so low. And yet he has endured.

Now, 10 years after his flight into exile, he once again beams from the television screen, exchanges visits with heads of state, holds forth on national and world affairs — and is listened to with respect.

The explanation for this involves not only the particular qualities of Mr. Nixon, but also the unique circumstances of his presidency.

From start to finish, Richard Nixon's was one of the most fiercely embattled presidencies in the nation's history. The fact that this contributed to his downfall has itself contributed to his comeback.

In domestic terms, the 1960s were the second most disastrous decade in U.S. history, following only the 1860s, ravaged by an actual civil war. It was Mr. Nixon's lot to inherit those passions: the verbal and physical violence, the escalation of hate, the riots and assassinations, the burning cities and bombed campuses. And he did so in the midst of a bitterly unpopular war, faced with an opposition Congress, at a time when "adversary journalism" was reaching the zenith of its fashionable acceptance and the nadir of its professional standards. In a real sense, the battle that brought Mr. Nixon down was the final struggle of that tortured era.

Domestically, the middle third of the 20th

century was a time of escalating expansion and centralization of government. Mr. Nixon saw this as having reached a dangerous and debilitating point. He was determined to reverse it, which put him on a direct collision course with many who had a vested interest in the existing distribution of power.

But his overriding concern was the role of America in the world. Here, the picture was more complex.

When the United States sought to halt the tide of Soviet advance in the first tense years after World War II, it had the power, it had the will, and it had the cooperation of the European allies. By the time Mr. Nixon took office, America's will had been eroded, the Western alliance was in disarray, and the Russians had built their military strength to a point at which the American strategic advantage was all but gone.

Mr. Nixon set out to create a new "structure of peace" that could hold Soviet ambitions in check within the constraints of what was politically possible and militarily credible. One of his first acts as president was to set in motion the process that eventually led to a new relationship with China and thus to a new balance of forces in the world.

Another was to repair the NATO alliance,

and particularly to end the destructive U.S. rift with his friend Charles de Gaulle. A third was to begin working toward a new kind of relationship with the Soviet Union, in effect creating new "rules of engagement" for what both sides recognized would continue to be a competitive relationship, but in which both sides would also confine that competition to means that would avert a major armed conflict.

An intricately interwoven fabric of economic and other arrangements was designed, in part to raise the cost to the Russians of adventurism that the United States would consider unacceptable, and these were used at the same time to induce the Soviet leaders to accept agreements on control of nuclear arms.

But all of this required a firm show of American strength, at a time when retreat and withdrawal were clamorously in fashion. The more strong measures he took to make peace possible in the longer term, the more he inflamed those who marched under the banners of "peace" in the shorter term.

Leonid Brezhnev was a tough adversary; the relationship worked because he recognized that Nixon was also tough. Each knew that neither would let the other get away with anything. And so they were able to bargain in cold terms for their respective national interests — recognizing that some of those interests were irreconcilable, but also that there were large areas of mutual interest, not least the avoidance of mutual suicide.

© Raymond K. Price Jr.

## A 'Morbidly Insecure, Lawless Hater' Takes the PR Route to Rehabilitation

By Anthony Lewis

BOSTON — It will be 10 years Thursday. He left the White House on Aug. 9, 1974, admitting nothing, accepting no responsibility for the damage he had done to the country or the cruelty to individuals. He lifted his arms in that grotesquely inappropriate "V," climbed into the helicopter and was gone.

But of course he was not gone. He has spent these 10 years feverishly working to rehabilitate himself, using what he always thought mattered more than substance: public relations. His strategy has been to talk and write about the higher things, refusing always to discuss Watergate, and thus to make his country forget his criminality.

The strategy has worked. When a former assistant interviewed him this year and sold the result to the CBS television network, Newsweek complimented him on his candor. Other great press institutions that once criticized him — and on which he threatened to take vengeance — now praise him as a statesman, a font of wisdom on foreign policy.

He does say sensible things about foreign policy. In a recent interview by Robert Scheer of the Los Angeles Times he warned that the anti-missile system that President Reagan wants to build would be "destabilizing" if anyone then felt safe enough to launch a first strike. Each side has so many nuclear weapons now, he said, that no one can really be safe: "When you have 10,000 of these damn things, there is no defense."

He also observed that confrontational tactics toward the Soviet Union make things worse for the victims of its tyranny. "There would not have been a Solidarity movement in Poland were it not for détente," he said. "If you have a world of constant confrontation, then change will not be possible."

Sensible, but what makes such statements seem exceptionally wise is the contrast with the far-out quality of the Reagan administration's policy — its basis not in reason or human experience but in ideology. In the country of the blind, the one-eyed man is king.

It was always true that his political eminence was as much a comment on Americans as on him. What did it say about a society when it chose as its leader a morbidly insecure, lawless hater? And what does it say today when we treat with respectful deference the only president of the United States who so disgraced that office that he was forced to resign?

Americans forget so quickly. And

ward the Soviet Union and opening to China. But he also plotted the destruction of an elected leftist government in Chile.

At home, his worst legacy was lawlessness. Americans were shocked when the burglaries and wiretaps and obstruction of justice came to light. But his successor mocked the law by pardoning him. And the notion that a president is above ordinary standards of accountability is alive and well in the White House today.

Is he not entitled to charity? No more than any wrongdoer who shows no understanding or regret. But now we know that we are not going to be rid of this strange figure, for he represents something in us.

In Ward Just's recent novel, "The American Blues," the narrator speaks of him as a ghost, a malignant genius hovering over the postwar period. "I realized suddenly," he says, "that Nixon was the generational link.... I had no doubt that he would last the century, my grandchildren could watch him on 'Meet the Press.'"

The New York Times.



## Behind the Proliferation of Italian-Libyan Contacts

By Enrico Jacchia

ROME — Libya has again accused the U.S. 6th Fleet of making provocative flights over the Gulf of Sidra, announcing at the same time that its armed forces were carrying out large-scale military maneuvers in and around Tripoli. Right after that announcement, Giulio Andreotti, the Italian foreign minister, concluded a successful two-day visit to Libya.

Leaving Benghazi, where he met at length with Colonel Moammar Qadhafi, Mr. Andreotti told Italian journalists that he and the Libyan leader had held important talks on the Middle East, the Gulf, and security in the Mediterranean. Later this week Mr. Andreotti heads to California, to attend the closing of the Olympics — and then meet privately with President Reagan.

And in a development that preceded Mr. Andreotti's visit to Libya, Umberto Capuzzo, the Italian Army chief of staff, received a personal reception in Tripoli by Colonel Qadhafi.

Italy's European and American allies may well be confused. In much of the Western world, Colonel Qadhafi is considered a supporter of international terrorism and a dangerous champion of Arab radicalism.

Yet given the ambiguity of Mediterranean politics, there is small reason to be surprised. Mr. Andreotti's trip to Libya was originally announced as a low-profile operation. Italian companies claim outstanding credits of about \$500 million from the Libyans. Foreign Ministry sources advised Mr. Andreotti that a meeting of

the Italian-Libyan trade commission would offer him a good opportunity to meet his counterpart in Tripoli and to discuss not only the unpaid credits but also the prospects for improved economic relations between Tripoli and Rome.

Trade between the two countries has increased significantly in recent times, and stood at \$4 billion in 1983. Italy is now Libya's main commercial partner.

The attention of the Italian press was focused at first on the pending trade and financial questions. Later, authoritative sources referred with ever increasing precision to the political aspects of the visit. Italy and Libya, it was stressed, both have an interest in maintaining peace in the Mediterranean; and the U.S. cruise missiles installed at Comiso, Sicily, the sources said, are aimed at Soviet targets, not at Colonel Qadhafi's palace in Tripoli (as the Libyans persistently claim). Perhaps the most important consideration was the possibility of Italy becoming a bridge, or a "channel," as Mr. Andreotti said after meeting the Libyan leader, between Libya, European nations and even the United States.

Building political bridges between opposing nations is a sort of obsession with Italian politicians. In Rome, Mr. Andreotti is considered the statesman best qualified to obtain a breakthrough in reconciling Colonel Qadhafi with the

West, or at least in softening Libyan attitudes.

A gradual but distinct change was noticeable in Italian political circles and in press reports at the end of the visit, on July 31. Mr. Andreotti's initiative was presented as a remarkable political achievement. He solved the credits issue and paved the way for the conclusion of new multi-billion-line contracts, but, more importantly, he laid the foundation for new and better political relations with Libya. The general feeling here is that public opinion is overwhelmingly in favor of coming to terms with Colonel Qadhafi. Hard-line seem to have disappeared.

This does not alter the fact that the Libyan colored is both unpredictable and reputedly very shrewd. He cannot neglect Libya's economic needs, but he may have something more in mind. The Italian Army chief of staff's three-day visit to Tripoli may offer some clues. Since his return to Rome, General Capuzzo, a brilliant officer, has been quieter than a clam.

It is rumored, however, that the Libyans want to buy sophisticated military equipment. Italian-produced electronic warfare systems and short- and medium-range missiles are highly regarded. There have been persistent official hints in Rome that the U.S. government is being kept informed and has an interest in what has been discussed in Tripoli. Maybe there are people in Washington, or in California, who will want to look deeper into it.

International Herald Tribune.

## Policy by Footnote: The Frustration of Denmark's Conservatives

By Ole Bernt Hemriksen

The writer, a member of the Danish parliament, is the Conservative Party spokesman on foreign affairs.

broads held power, but also from that broad agreement on foreign policy that has long characterized Denmark. This has been especially noticeable on issues such as the stationing of intermediate-range U.S. missiles in Western Europe.

When I use the phrase "have been moving away from I do so advisedly, because this is not an either/or situation. The Social Democrats have frequently reiterated their support for Danish defense policy, and for the country's membership in the North Atlantic Treaty Organization. The government has expressed its satisfaction with this.

But at the same time the Social Democratic Party, together with some smaller parties outside the government, has been showing an ever more critical attitude toward the so-

called double-track decision that NATO took in unanimity in 1979 — when the Social Democrats themselves were in power.

Before deployments of U.S. cruise and Pershing-2 missiles began, the Social Democrats called for a delay in deployment while U.S.-Soviet talks on European security continued. After the Western deployment began and Soviet delegates walked away from the Geneva missile talks, the Social Democrats advocated a halt to missile deployments by both sides.

The Social Democrats have also prevented the government from paying its full share of that part of the NATO program destined for the physical preparations for Western deployments. The government has at times voted against these moves, on other occasions abstained in the

hope, so far vain, of persuading the Social Democratic Party to adopt a more responsible line of policy.

This is the background for what has been dubbed Denmark's "footnote diplomacy" — the fact that it has, in several NATO communiqués, qualified its position on the medium-range missiles. But this is only a partial explanation.

The other part of it is that similar, if less pronounced, tendencies can be seen in several other European countries, and even in the political debate in the United States. Large parts of the public have been unwilling to accept a situation in which the East-West dialogue has largely grounded to a halt. It does not help for a Western government to perform major surgery, however well-intentioned, on its own political or defense pos-

ture. It takes two, at least, to negotiate, and the Soviet Union must be one of the two.

It is never easy in a political debate to make emotion give way to reason. Nevertheless, this is what we — my government and others in Western Europe — must do. In Denmark, we are trying to engage the Social Democrats in a debate because we realize that these questions are difficult and potentially divisive and because we know that it is in everybody's interest that the Social Democrats yet again be part of the foundation for a long-term foreign policy.

Because our parliamentary situation is as it is, it will take time to regenerate this dialogue. The single most important precondition for success is that the alliance find ways and means to adopt a common, comprehensive and open approach to East-West relations. The difficult balance between defense and détente must be maintained and invigorated.

I have yet to mention the word "nuclear." This is, of course, an important part of the debate. No one is happy with the dominating role of nuclear weapons. I have been arguing — and so has my government — that to close one's eyes, hope for the best and declare oneself a nuclear weapons-free zone is unlikely to help. We live in a nuclear world and must learn to survive in it.

We all wish to lessen our dependence on nuclear weapons. But we must pursue this goal without losing either a necessary sense of realism or an equally necessary measure of common sense, and to achieve results we must engage the Soviet Union in the negotiating process. Thus it is of prime importance to make it difficult, not easy, for the Soviet Union not to engage in a serious dialogue on these serious issues.

International Herald Tribune.

## LETTER TO THE EDITOR

### Helping East Timor

As the author of a letter co-signed by 123 representatives that was sent to Secretary of State George P. Shultz before his recent visit to Indonesia, I was pleased to see the New York Times editorial mentioning our appeal concerning the tragic conflict in the former Portuguese colony of East Timor (JHT, July 12).

I agree with the comment in another New York Times editorial, "Shultz's Pacific Overtures" (JHT, July 23), that "in Jakarta.... Mr. Shultz did the minimally decent by affirming America's concern about East Timor." But other points in that editorial need clarification.

It is true, as The Times stated, that "over the years, Indonesia has granted greater leeway in East Timor" to international relief organizations, and true as well that "Congress asks for the admission of journalists and human-rights monitors." What should be added, however, is that Indonesia refuses to permit the International Committee of the Red Cross to conduct an independent survey of the main island of East Timor to assess the humanitarian needs of the civilian population — notwithstanding that many Catholic Church and refugee sources continue to report serious fighting, hunger and disease.

One of the principal objectives of the bipartisan congressional letter to Secretary Shultz was to create official U.S. backing for better access to East Timor by the International Committee of the Red Cross. This means the resumption of relief assistance activities and a humanitarian survey of the territory, which is more than the ICRC prison visitations now allowed. Everything possible must be done to avert further disasters in East Timor, where more than 100,000 people have perished since Indonesia occupied the territory in 1975.

Restricted, intermittent access to East Timor for relief agencies and others simply is not enough.

Democratic Congressman, Ohio, Washington.

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## INSIGHTS

## Newly Respectable Afrikaners Are Still Hobbled by Their Rigidity

By Glenn Frankel

Washington Post Service

**P**RETORIA, South Africa — Only five years ago, time seemed to be running against the white Afrikaner. A new generation of black activists, inspired by the 1976 uprising in the black township of Soweto, appeared to have South Africa's white-minority government on the run. At the same time, a new ring of hostile black states had replaced the friendly colonial governments that once surrounded the country. The apocalypse, in the form of a major upris-

## The Afrikaners

## A Tribe Divided

Second of four articles

ing by the long-fettered black majority, seemed inevitable, perhaps only a generation away. Today the mood here has dramatically changed. Domestically, black nationalism, while still potent, appears fractured and disorganized. South Africa's black neighbors are weak and pliant, in part because of Pretoria's aggressive military tactics and the black governments' failed economic policies. Several of the immediate neighbors, such as Mozambique, have even struck formal diplomatic deals with the white giant to the south.

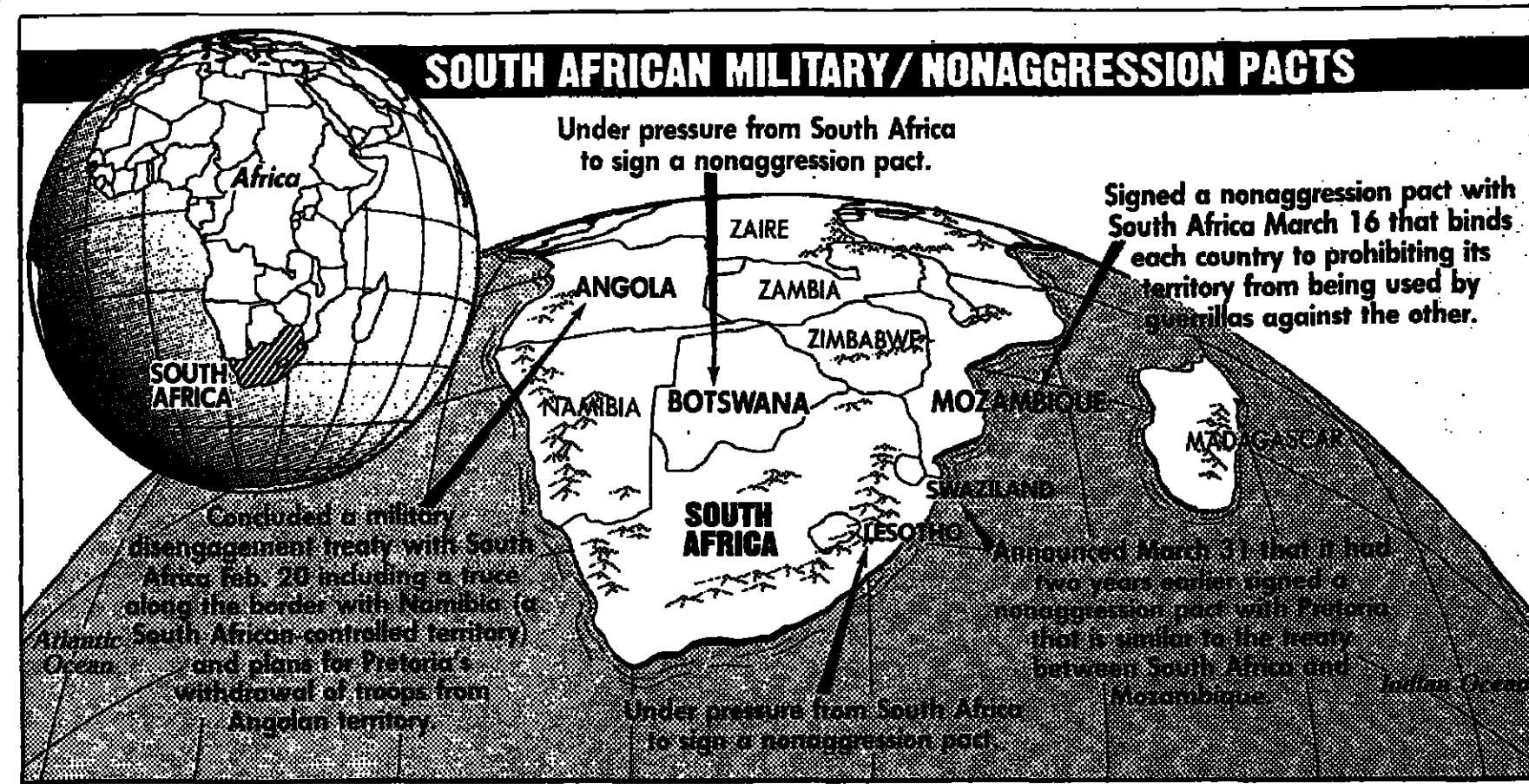
In the West, Prime Minister Pieter W. Botha received a cautious welcome during his recent visit to Europe, and the U.S. administration of President Ronald Reagan practices a policy known as "constructive engagement" that has warmed relations with Pretoria.

The Afrikaner no longer appears as, in the words of South African novelist Andre Brink, "a stench in the nostrils of the world."

**T**HE result is a new mood of self-confidence and optimism among members of the white Afrikaner establishment that has singlehandedly ruled this nation for 36 years. Buoyed by these developments and by November's landslide election victory for their proposed new national constitution, Afrikaner leaders believe they may achieve what once seemed impossible: regaining international respectability without making radical changes in apartheid.

Most of all, many believe they have bought the main commodity South Africa was thought to have run out of: time.

"We are a society in transit," said Louis Nel,



deputy foreign affairs and information minister. "The present government is not in favor of the present status quo constitutionally, economically or socially, but we must have time to change in such a way that we maintain security for all."

The Afrikaner establishment has come of age. Where once it was dominated by wealthy landowners, theologians and racial ideologues, the new establishment's membership list has more businessmen than farmers and is better educated and more sophisticated.

While Afrikaner ethnic unity still receives lip service, the profit motive is the new ethic. The rural traditionalists on the Afrikaner right have been shed in favor of new alliances with South Africa's English-dominated business communi-

ty, with whom the new Afrikaner establishment shares bank balances rather than ethnic identity.

Like Mr. Nel, the new Afrikaner establishment speaks the language of reason and reconciliation, not white domination. It can even be a bit irreverent when analyzing the system it has inherited.

"Apartheid was a simplistic approach based on extremely naive political assumptions," said J.P. de Lange, who as chairman of the influential secret society the Broederbond has some of the most impeccable establishment credentials in the Afrikaner community. "There is a great readiness among whites for change and an openness for future adjustments."

**B**UT undercutting the rhetoric of reform are a series of troubling problems. For one thing, the mood of optimism could be shattered by a new outbreak of unrest from blacks, who, despite ambitious talk from the white establishment, have seen little in the way of concrete reforms. At the same time, there are footsteps on the right from the conservative Afrikaner wing that would deal a quick death to the spirit of change the establishment believes it is creating.

The biggest problem, however, may lie with the establishment itself. For despite the talk of an "open-ended process" in which all of South Africa's ethnic groups will have a fair role in determining their future, there are definite and

rigid boundaries beyond which few Afrikaners are prepared to go.

The major stumbling block is the government's commitment to the policy of racial segregation euphemistically known as "separate development," under which 10 nominally independent "homelands" are being established for the majority of the country's blacks. South Africa's critics see the rural homelands as prisons of poverty and misery where blacks are confined against their will.

The Afrikaner establishment has committed itself to the gradual elimination of what Mr. Botha has called "harmful racial discrimination," and, albeit with glacial slowness, the more visible signs of apartheid are coming down.

Blacks within a generation should have full access to buses, parks, restaurants and other public facilities, according to many analysts. Legally enforced job discrimination has been abolished, although the help-wanted columns in South African newspapers are still peppered with ads noting that "Europeans only" need apply.

But most Afrikaners draw the line at preserving "separate development" because they see it as the only way they can retain their political control. By dividing blacks among the tribal homelands and denying them citizenship rights inside "white" South Africa, the Afrikaners believe they can maintain the comforting myth that they are not a small minority among a 73-percent black majority but instead a white nation among other, equally small, black nations.

Not every Afrikaner leader shares the government's faith in separate development — Mr. de Lange says the policy is "dead as a dodo" — and some see the homelands as dismal economic and political failures beyond rescue. But very few are willing to contemplate a future of Western-style democracy, including desegregation of major institutions and a one-person, one-vote system of majority rule.

"The borderline will be drawn at self-determination — in the church, in politics, in education, in living space and group facilities," wrote Willem de Klerk, editor of Rapport, the largest Afrikaans-language newspaper, and a founder of the Verligte, or "enlightened," reform movement in Afrikanerdom, in a recent article. "Those are the nonnegotiable aspects which the Afrikaner will defend with force of arms."

Many Verligtes contend that what is new and important on the South African scene is their willingness to at least begin to negotiate. If their blueprint of what the future will look like is blurry and imprecise, they say, that is because the details will be hammered out among whites, blacks and browns at future bargaining tables.

It is also, some whisper, because the Nationalist government cannot afford, at this juncture, to reveal to its traditional followers exactly where it is heading for fear of losing support on the right.

"We have to get rid of apartheid without the people noticing it," said Willie Esterhuysen, political philosophy professor at the University of Stellenbosch. "It's something you can't spell out in detail now, something that has to grow in the hearts and minds of the people."

Next: The fears of the right.



An Aug. 1 news program included a detailed weather report, using a rear-projected chart, new to Cuban broadcasting.

## Cuba Liven's Up TV, Radio Broadcasts

By Joseph B. Treaster

New York Times Service

**H**AVANA — There is a new look to the televised evening news in the Cuban capital and some Western diplomats think it has something to do with Radio Marti, a special segment of Voice of America radio programming that may be broadcasting to Cuba by the end of the year.

For years, when Cubans turned on their television sets for the news, they were greeted by a solemn-faced announcer sitting at a plain desk reading reports of local and foreign events.

In the last six months, however, the government has begun liveing up the news and the rest of its television programming with new stage sets, rear-projected charts, maps, photographs and far more film footage from the field.

The radio stations have been invigorated, too, with more popular music, dramas, documentaries and dynamic pacing. And television, radio and the government-controlled press are carrying more criticism of such matters as poor performance in factories.

Cuban government officials say it is all part of an evolutionary process that has been in the works for years. Western diplomats, however, say they are certain that the changes have come about because the government wants to be in a position to compete favorably with Radio Marti.

Radio Marti, which the Reagan administration initially hoped to have on the air in January, was approved by Congress in the fall of 1983 to serve as a "consistently reliable and authoritative source of accurate, objective and comprehensive news" for Cubans.

But the Cuban government is bracing for an onslaught of propaganda against President Fidel Castro and the Communist society he has built since the 1959 revolution. Cuban officials point out that a group of supporters of Ronald Reagan urged the creation of an anti-Castro radio station even before Mr. Reagan was elected president, and they have noted press reports that Radio Marti is being operated by Cuban exiles, who are vehemently opposed to Mr. Castro.

Two months ago Mr. Reagan named Jorge Mas Canosa, a Cuban exile businessman in Miami, as chairman of a nine-member board

that is to oversee the operation of Radio Marti. Mr. Mas Canosa took part in the Bay of Pigs invasion of Cuba in 1961 and was a commentator on Radio Swan, an anti-Castro station that the U.S. Central Intelligence Agency operated on Swan Island in the Caribbean in the 1960s.

In a confirmation hearing last month, Mr. Mas Canosa told the Senate Foreign Relations Committee that Radio Marti would be an objective broadcast service and would not try to incite rebellion against Mr. Castro. Radio Marti, Mr. Mas Canosa told the senators, "will be a useful and peaceful means of providing the Cuban people with information that they are denied by the Cuban authorities."

**E**ARLIER this year, studios and offices for Radio Marti were opened in Washington by a group of Voice of America employees. A bureau in Miami with a staff of about a dozen people is planned and the radio signal to Cuba is to be beamed from a Voice of America transmitter in the Florida Keys, according to officials in Washington.

Congress has allocated \$25 million to operate Radio Marti for two years. It is eventually expected to broadcast up to 14 hours a day. Senior Cuban officials have condemned Radio Marti as "an attack on the sovereignty of our nation." They were immediately angered when the Reagan administration named the new radio station for José Martí, who died in 1895 in a battle with Spanish troops and is one of the most revered heroes of the Cuban independence movement.

One of Cuba's responses, officials in Havana have suggested, may be interference on a major scale with radio and television broadcasting in the southeastern United States.

Some middle-level Cuban officials acknowledged that, whatever plans the Cuban government might have had to make its radio and television more interesting, they might not have been put into effect had it not been for Radio Marti's impending debut. "I wouldn't say there was no connection," a Cuban official said. "Of course, there's some connection. But Radio Marti is not the main cause for these changes."

Two of the most popular Cuban radio stations, Liberation Radio and Rebel Radio,

which was founded by Mr. Castro when he was a guerrilla leader in the Sierra Maestra mountains, have been combined to make a single station that is on the air 24 hours a day.

The combined station is called Rebel Radio New Style. It is mainly a music station mixing old Latin favorites with popular American and British tunes. It features shorter news programs and an increased number of bulletins sprinkled throughout its programs.

Residents say the radio and television stations and the newspapers, which had been known for delivering world news long after the fact or not at all, have begun operating in a more timely way. They know this because they regularly listen to radio and television broadcasts from Florida, 90 miles (145 kilometers) to the north.

Cuba has two television channels. They are similar, but one tends to give more emphasis to news and sports. Both are now broadcasting for more hours each day, from early morning until past midnight. Both have switched from mainly black and white to mainly color, even though most television sets in Cuba do not receive color broadcasts.

American movies with Spanish subtitles have long been popular in Cuba. These days, residents say, more first-run American films are being shown on national television.

**W**EEKDAY mornings, the television channels present "Morning Magazine," which runs for several hours with interviews, commentary and segments of film from the Soviet Union and the United States plucked from satellites.

For some, the introduction of criticism into what had been gray, unrelieved doctrinaire columns and broadcasts has been the most striking development.

In a report on television the other day, workers at a cement factory on the northern coast said that production was falling because some of the cement bags they were receiving were falling apart and some packages of cement bags contained fewer than the designated number.

"I think they're anticipating hearing criticism of the system on Radio Marti," a diplomat said. "And they want to be able to say: 'We've already mentioned some of these things. Criticism is not new here.'"

## Dollar Stores Nourish a New Polish Class

By Michael T. Kaufman

New York Times Service

**W**ARSZAWA — There is a riddle going around here these days that asks, "Why is Poland just like the United States?" One answer is that in both Poland and the United States one cannot buy anything with zlotys and, on the other hand, in both countries one can buy anything with dollars.

The point about dollars is not really much of an exaggeration. Scattered throughout Poland are 650 government-run shops that sell a wide range of mostly imported goods, all for dollars or other hard currencies.

The goods include food, jeans, cosmetics, cameras, radios, freezers, washing machines, intramural devices, toys and television sets. The stores, known as Pewexes, are found in even the smallest towns. Their expansion in the last 10 years has created two groups of consumers.

"What we have in this classless society," a retired Polish journalist said, "are two basic classes — those who have access to dollars and Pewexes and those who do not."

**F**OR the many Poles who must spend a great deal of time standing in lines in regular retail shops hoping to snare some scarce item, the Pewex economy arouses emotions ranging from amusement to bitterness.

Even to visitors from the West, the Pewex stores seem somewhat surrealistic in the barren mercantile landscape of Poland. These oases of brightly packaged goods are in stark contrast to other government shops and their window displays of a few curtain rods or some frayed plastic dolls.

In towns where women sometimes wait hours in line to buy chicken or sausage, the Pewexes offer hard-currency customers glazed hams, pâté, anchovy paste, caviar and other treats.

What is more, their duty-free prices in dollars and other hard currencies are lower than in duty-free shops at international airports. Brand-name whisky, for example, sells for \$4.80 a bottle, British gin for \$3.30 and American jeans for \$17.

Such prices, inexpensive in global terms, are still beyond reach for the majority of Poles, who earn only zlotys and have no access to money from abroad. For example, a Polish welder would have to turn over more than two weeks' pay if he wanted to buy dollars on the black market for those jeans at the present rate of 580 zlotys to the dollar.

While the Pewex stores are sometimes the subject of lampoon, they also stand as a graphic and unfunny reflection of Poland's hybrid and troubled economy.

**T**HIS is, after all, a country whose economic aspirations lie in the markets, technologies and financial institutions of the West. On the other hand, it is a country whose work force, quality control, productivity standards, wage scales and pricing systems are not determined by supply and demand but by bureaucratic plans and quotas.

It is also a country whose citizens travel abroad, bringing back hard currency and whetted desires for consumer goods. In addition, millions of Poles have relatively easy access to U.S. dollars, British pounds, French francs and West German marks through relatives living abroad. All of this provides the ingredients for two distinct consumer economies, one lush and calculated in dollars, the other austere and shabby and based on zlotys.

It is in the Pewex stores that the two come together. One Western ambassador in Warsaw even believes that parity between the two systems is maintained through the Pewex price of a bottle of Polish vodka. A bottle that costs \$1.30 at the Pewex brings 754 zlotys in regular Polish shops. According to the diplomat, the zloty price divided by the Pewex dollar price will always set the black market rate, which at the moment is 580 to the dollar, or more than five times the official bank rate of 110 zlotys.

Tadeusz Bielski, general director of the Pewex conglomerate, which has a staff of 4,500, explained that the original idea for the chain was precisely to soak up dollars from the black market to be used by the government to help meet its chronic need of hard currency.

"In Poland," Mr. Bielski said, "we have had this access to dollars through citizens working

abroad, foreign relatives, trade and, until recently, large numbers of tourists."

"And what were we supposed to do about them?" he asked in reference to the Polish travelers. "Without the Pewex system, they would have gone out of the country or they would have fanned speculation and smuggling. Our idea was to act as a sponge so that eventually every last loose dollar would find its way to our shops and then to the government, which uses the profits to import raw materials needed for Polish production."

Mr. Bielski said the Pewex chain took in \$261 million last year, or \$120 million more than it had paid for the imported products it sold. The sales level this year seems worse, he said, because of a drop in liquor sales.

The director added that there has been an inverse trend between the volume of sales in the

Pewex chain and the state of the zloty consumer economy. "Up to a point," he said, "you can say that the more there is available in the regular stores, the less people rely on Pewex, so maybe the small decline we are experiencing is a good sign."

Mr. Bielski has heard jokes about the Pewex system and the assertions that the dollar stores threaten the Marxist concept of egalitarianism. But he thinks the stores and the concept behind them are fundamentally pragmatic.

"What society gets from the stores is exposure to a variety and quality of goods," he said, adding that this sets quality standards for domestic manufacturers.

"As for the government," he said, "what it gets is the hard currency that it needs to stimulate Polish production."

## Black Statues Stir Debate In Wealthy California Area

By John Hurst

Los Angeles Times Service

**T**IBURON, California — Are the little black carriage boy hitching posts displayed here on Main Street symbols of racism and slavery, or are they simply historical artifacts?

That question, as well as related racial issues, has embroiled Tiburon, an otherwise staid and wealthy community, in an internal debate that has grown increasingly vitriolic over the last month.

The Tiburon Peninsula, with its exclusive towns of Tiburon and Belvedere, would seem an unlikely place for racial disputes. This is not Middle America or blue-collar America. This is Marin County, a region just north of the Golden Gate Bridge with a population noted for being sophisticated, well-educated, well-to-do and very white.

In Tiburon, 38 percent of the families have incomes of \$30,000 a year or more, according to the 1980 federal census. In adjoining Belvedere, 31 percent of the families make \$75,000 a year or more. It is an area in which a home selling for \$205,000 is viewed with suspicion because the price is so low.

Of the 6,338 people in Tiburon at the time of the 1980 census, 46 were black. In Belvedere, only one of its 2,401 residents was black.

Many Tiburon Peninsula residents take a leisurely morning ferry ride to their San Francisco offices, and enjoy cocktails aboard the evening boat home.

But into this relatively placid environment, a young black woman interjected the issue of race last month, and the community has been fuming ever since.

**P**HYLLIS Randall, 32, a student at the University of California, Berkeley, and her husband, a well-to-do white engineer, were touring Tiburon's quaint downtown area in May.

Mrs. Randall was shocked when she saw three black carriage boy statues with caricatures of Negro faces, dressed in livery and embedded in cement in front of shops on the town's Main Street.

"It did spoil my day," she said. "Seeing that kind of thing is upsetting. It was saying that the people here didn't care about offending me. Maybe if you're not black, that sort of thing is cute or quaint or part of history."

She continued: "I can't imagine any group who would want to see themselves depicted at the lowest point in their history. Perhaps if they are going to show them they should put another little statue over here of a white man with a whip, because that is how it was done."

When Mrs. Randall and her husband returned to their home in Palo Alto, south of San Francisco, she wrote a letter complaining about the hitching posts to the mayor of Tiburon, Larry Smith, and the town council.

"Please consider removing these atrocities," she wrote. But she did not expect the city officials to listen.

Although the figures are owned by and stand on land belonging to Main Street Properties, a private development company in Tiburon, city officials did not ignore Mrs. Randall's letter.

Mr. Smith asked the local weekly newspaper, the Ark, to publish the complaint and asked readers to tell him what they would do if they were mayor. And for the last month, the Ark has been printing an increasingly harsh series of letters on the subject.

The responses began calmly enough, some agreeing with Mrs. Randall and others defending the figures as historical art forms.

But by the July 4 issue of the paper, some of the readers' comments had turned ugly.

"And speaking of history," wrote John Hicks, "where did Randall acquire her European-sounding name — or didn't the African tribes name their offspring?"

"Phyllis Randall has some nerve coming here and then criticizing our taste in quaint iron works of the past," wrote D. Lloyd in the same edition of the paper. "Through our benevolence her race has come a long way, baby, in our white society — but don't push it!"

On July 11, both the Ark and D. Lloyd wrote to ask by Roberta C. Dorward what they asked: "How could you publish such racist venom?"

The outpouring caused Mr. Smith to sympathize with Mrs. Randall, but he has decided not to take any formal action. "In my judgment, we're looking at a microcosm of the country," he said. "From my own view, I never read anything into it other than it's a piece of history."

What all the letters had done for him, he said, was to "make me think about how I would feel if I had such an object on my own property and I invited someone to my home who was real offended by it and I valued that person's friendship. I might want to remove it. If I valued that friendship, why would I leave it there? Why would I want to continue to offend my friend?"

"I guess if I were in control, and I'm not," Mr. Smith said, "I would remove them to a less offensive ambience."

He said he has done what can be done, which is to focus citizen attention to the problem. "It's kind of up to the owner, isn't it?" he said.

**I**N addition to the three carriage boys that offended Mrs. Randall, Main Street Properties owns two more hitching post statues in Tiburon — one that looks like a slave boy in baggy clothes in front of the town theater, and another, in front of a restaurant, dressed in livery, with its face painted white. They have been on display for about 30 years.

Keith Morrison, general manager of the company, maintains that statues similar these were used by the underground railroad last century to mark the path to freedom for escaping slaves.

But Edward G. Zelinsky, owner of Main Street Properties, is not adamant about keeping the hitching posts on display and says he would not object to some official guidance on what to do with them.



## ARTS / LEISURE

## 'Corpse' Is a Really Good Thriller

By Sheridan Morley  
International Herald Tribune

LONDON — We need to welcome the first really good West End thriller since "Deathtrap": at the Apollo, Gerald Moon's "Corpse" shamelessly borrows a trick or two (and indeed an actor, Keith Baxter) from "Sleuth" but comes good with the old double-identity plot about a murderous look-alike twin and his wealthy brother. The play starts promisingly if irrelevantly on Edward VIII's abdication day in 1936, with Baxter dressed as the late Queen Mary for the purposes of shoplifting in

## THE LONDON STAGE

Fortnum and Mason, and through its increasingly devious plot there are occasional glimpses of a more intriguing backstage play trying to escape. But soon enough the deaths are all that really matter, and given London's current dearth of good whodunnits I suspect that this "Corpse" will be lying around for many months to come. It has all the makings of a small-cast low-budget goldmine, and Milo O'Shea forms with Baxter the most killing partnership in town.

It doesn't much matter, contrary to widespread press reports, that Paul Greenwood so forgot himself on the opening night of "The Happiest Days of Your Life" as to reduce an already catastrophically bad play and production to an uneasy double-act with the prompter, not the usual little lady hissing helpfully from the wings, but a disembodied voice from the back of the dress circle broadcasting through the kind of loudspeaker system you'd expect for a nuclear alert.

What does matter is the Royal Shakespeare Company's inability to find themselves a modern play worth doing on the main stage of the Barbican. For if their London home is not to be used solely for transfers from last year at Stratford, it needs to establish an identity. Thus far it has only achieved bouts of Victorian nostalgia ("Poppy" and "Peter Pan") and now this dire old school farce by John Dighton, which was only ever made bearable on screen by Alistair Sim and Margaret Rutherford shaking their many chins through a one-joke plot about a girls' college having to lodge with the boys in the chaos of postwar relocation.

The problem is, I suspect, that though the RSC can boast brilliant advisers on the speaking of classical verse (witness John Barton's current and superlative television series on playing Shakespeare) there seems to be nobody in the company with the faintest idea of what went on in the British theater between 1900 and 1960. Faced with the need to find a workable farce for the summer holidays, and prompted perhaps by the continuing Shaftesbury Avenue success of "Daisy Pulls It Off," they have gone back to Dighton where any halfway competent regional repertory director could and would have pointed them instead toward Vernon Sullivan or Ben Travers or indeed (since they happen to have Henry Mount already in the company) a revival of "Salter's Wives."

For the old Joyce Grenfell role, Maria Aitken has developed a good line in legally contorted scholastic embarrassment, but apart from the formidable Mount, the rest of the company seem not to have the remotest idea how this kind of farce needs to be played: nor does Clifford Williams's top-heavy production, complete with a marching band, manage to breathe any kind of life into a

show that needs to be rehearsed for at most a week and then played for a week in between "Dial M for Murder" and "Private Lives" on the end of some seaside tour. The sooner someone tells the RSC about "Sagittarius Over Sorrento" and "Worm's Eye View" and "Will Any Gentleman?" and all the true comic classics of my childhood, the better for us all.

In an unlucky summer, the RSC are also in trouble on their basement pit stage with Charles Wood's "Red Star": like his earlier "Veterans" and "Has Washington Legs?" this is another showbiz satire, but based on the "Great Dictator" notion of the actor who gets mistaken for a politician. The actor here (Richard Griffiths in a marvellously overweight, melancholic turn) is a failed actor with the Theater of the Glorious Agricultural Worker in Moscow who ends up in a prison camp until his likeness to Stalin turns him into a movie star, and ultimately the likely occupant of the mausoleum in Red Square — unless, that is, he can escape from the death that is a prerequisite for that particular role.

Left like that, "Red Star" would be a very funny two-hour comic thriller about the nature of acting and politics in a police state: but the director, John Caird, has allowed the play to sprawl over another interminable and untidy hour, so that we end up with a rambling and undisciplined mishmash of scenes from Russian domestic and theatrical life that leaps from vaudeville to "Mother Courage" without ever finding its true direction.

Wood has always been a unity and over-long writer, but he has some marvelous comic notions, and this cartoon history of an actor in the Soviet Union could with some sharp editing have been turned into one of the funniest plays in town instead of the present shapless pageant, one crucial sequence of which is mysteriously being played in total darkness.

## Mixed Reviews for Pacino

Al Pacino received mixed reviews in his London stage debut in David Mamet's "American Buffalo," the Associated Press reported. His performance in the U.S. production of the play had been acclaimed. But Michael Coveney of The Financial Times characterized Pacino's high-energy, ferociously busy performance as a "store of Method ticks and clichés," describing him as "a man either afflicted with fits or stricken with the Saint Vitus dance according to Lee Strasberg." Pacino studied under Strasberg, who developed the Method school of acting.

A more sympathetic view was taken by Irving Wardle in The Times, who praised Pacino's "leaves trigger restlessness." Wardle saw the revival as an occasion "for welcoming Al Pacino to the London stage."

The production, scheduled to run at the Duke of York's Theatre through Sept. 8, had been considered a sure bet for an extension. But Sue Hyman, the show's publicist, said the extension is now in doubt and will depend on public willingness to ignore the reviews.

Pacino is slated to star in the film version of the play this winter and Sidney Lumet, who directed Pacino's Academy Award-winning film performance in "Serpico" and "Dog Day Afternoon," will direct.

Sheridan Morley is going on vacation. His column will resume at the end of this month.

## Rhythm and Blues, And Jerry Wexler

By Michael Zwerin  
International Herald Tribune

PARIS — "Can't we find something else to call it?" The year: 1951. The place: Billboard Magazine, New York. The subject: The "race records" chart, which listed hits by black musicians. The term is derogatory. The speaker: young reporter Jerry Wexler. "How about 'rhythm and blues'?"

Looking back now, he says: "If I had it to do over again, I might have preferred 'rhythm and gospel.' In any case, having named it, Wexler would redefine the music and bring it to a mass public.

In 1953, he started producing for Atlantic Records, a young company with a one-room office above Patsy's restaurant on 56th Street. At night, Wexler and his partner, Ahmet Ertegun, pushed one desk against the wall and stacked the other on top of it, while the engineer, Tom Dowd, set up three mikes, one out in the airshaft if they needed reverb, and recorded Ray Charles ("What'd I Say"), Clyde McPhatter and The Drifters, Joe Turner and LaVern Baker.

Wexler recently passed through Paris. "How about this, may I say?" he asked. After discussing the nuances between *gourmet* and *gourmand*, he raised a glass of 1967 Burgundy and proposed a toast: "Ah, France." Then, speaking about eight-bar blues, he burst into song: "The sun gonna shine through my back door someday." That's right, burst into song.

He humbled over words, with the enthusiasm of a recent convert: "Remember, I'm from before LPs." Eight-bar blues made room for more choruses on cramped three-minute 78 rpm. "It was one-track mono, we cut four sides in three hours. We produced music because we liked it and thought it would also sell. That was what I call the 'Column A' period."

Then "Column B" came along. So there was one column for taste and another for the market. For awhile they happened to coincide. As the company began to expand, they signed Bobby Darin, Buffalo Springfield and English groups like Led Zeppelin and ultimately the Rolling Stones. "We might as well have been selling hubcaps."

Although Wexler signed some groups from "Column B," he never personally produced any of their records: "I couldn't do that. It's

like trying to make love to a woman you can't stand. It was physically impossible."

He produced Ray Charles's first hits, including "Lonely Avenue," but minimizes his contribution: "Ray is a walking textbook about music and recording — cadence, accent, texture. I'd say something brilliant like: 'Ray, do you think we should try one a bit slower?' My 'secret' consisted of two words — Tommy and Dowd. We'd start: 'Okay, Tommy, open the pots and let's see what we get here.' Basically, I was just sitting there learning."

When her CBS contract lapsed ("I was watching it like a hawk"), he signed Aretha Franklin and introduced her and Wilson Pickett ("In the Midnight Hour") to Southern studio musicians. It is considered one of his biggest contributions, though he minimizes it in this respect. I don't believe individuals change the course of history. It's being there when it happens. It was happening anyway."

He sampled the *saumon a la Reille*. "By the early '60s, our New York arrangers were out of ideas, our players were out of licks. And there was this rich musical tradition in Memphis, Tennessee, and Muscle Shoals, in the northwest corner of Alabama. Incredible rhythm sections, like Booker T. and The MGs. The bands were multi-racial and the music was based on mutual respect between Southern black and white musicians. They all played the blues, they could all fix carburetors, they had the same mud on their shoes. We found each other and got very lucky."

The son of a Jewish immigrant from Poland, Wexler grew up in Manhattan — "delivering hook to drunks and hanging out in Artie's poolroom." He became a millionaire when Warner Brothers purchased Atlantic. Since then, operating independently, he has produced Dusty Springfield, Cher, Dire Straits, Duane Allman, Bob Dylan, Linda Ronstadt, the original Broadway cast album of "The Wiz." His soundtrack to the Louis Malle film "Pretty Baby," set in New Orleans ("I still listen to Kid Ory with a great deal of pleasure"), was nominated for an Oscar, and he has a consultant credit on Francis Ford Coppola's forthcoming film on the Cotton Club.

He offered spoonfuls of proffer-



Producer Wexler in Paris restaurant: "More or less Tolstoyan."

olles au chocolat around the table and fielded questions: On Ray Charles: "Ahmet bought Ray's contract for \$2,000 in 1953. Ray came out of nowhere and suddenly started singing secular lyrics to religious music. Nobody had done that before."

Willie Nelson: "Basically I'm a bebopper. Bebop is an inescapable idiom. I love honky-tonk, dixieland and western swing. We had our little supper-club line with Mabel Mercer, Bobby Short and so on — not too many people remember that. I love anything in 'Column A.' I loved Willie for years, even though I was specializing in black music, vocal and jazz, so when we met at a party in Nashville, I said to him: 'You don't know how long I've been waiting to meet you.' We signed him two days later and went into the studio."

Bob Dylan: "He had gone through the acoustic trip and the electric trip, and when he wanted to get a polished R&B sound — keyboards, background vocals, horns and big textures, the kind of thing we were doing — he came to me. We did his Gospel album, 'Slow Train Coming' together. I had no idea he was on this born-again

Christian trip until he started to evangelize me. I said, 'Bob, I'm hopeless. You're dealing with a 62-year-old confirmed Jewish atheist. [He's 67 now.] Let's just make the album.'"

Linda Ronstadt: "I did an album with Linda backed by a small contemporary jazz band with Tommy Flanagan on piano, Tal Farlow on guitar and Ira Sullivan and Al Cohn on saxophones. Al did the arrangements. When it was finished, she didn't want it to come out for some reason, but six months later she had all that success [What's the New?] with Nelson Riddle's ar-

rangements of basically the same material. I'm happy she introduced good standards to all those kids, even though our date had to stay in the can. I don't, but if I had the right I'd release it in a hot New York minute."

Producing: "A producer will give you a thousand reasons why a record didn't happen, and none of them is because it wasn't good enough. I'm sorry to destroy the myth of the star producer, but all you really have to do is hang in there long enough until the musicians and the engineers get it right."

## Anthony Home to Be Center

The Associated Press

ADAMS, Massachusetts — The birthplace of the feminist Susan B. Anthony is expected to become a center for meetings on issues of interest to women. Susan B. Anthony would be happy, said Elizabeth Randall, the realtor who handled the sale of the house.

For more than a half century, Anthony was a leader of the move-

ment to give women suffrage and equal rights. The house was built in 1771, and Anthony was born there into a Quaker family on Feb. 15, 1820.

Alice Grellner, a professor at Rhode Island College in Providence, plans to turn the 167-year-old house into a conference center for women's issues, Randall said. Grellner bought the nine-room wood structure for \$48,000.

NYSE Most Active					
Vol.	High	Low	Last	Chg.	
IBM	127.50	127.00	127.50	+0.50	
AT&T	117.00	116.50	117.00	+0.50	
GE	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	

Dow Jones Averages					
Index	High	Low	Last	Chg.	
Indust.	127.50	127.00	127.50	+0.50	
Transp.	127.50	127.00	127.50	+0.50	
Utilities	127.50	127.00	127.50	+0.50	
Finance	127.50	127.00	127.50	+0.50	
Compo.	127.50	127.00	127.50	+0.50	

NYSE Index					
Index	High	Low	Last	Chg.	
Indust.	127.50	127.00	127.50	+0.50	
Transp.	127.50	127.00	127.50	+0.50	
Utilities	127.50	127.00	127.50	+0.50	
Finance	127.50	127.00	127.50	+0.50	
Compo.	127.50	127.00	127.50	+0.50	

NYSE Closing					
Vol.	High	Low	Last	Chg.	
IBM	127.50	127.00	127.50	+0.50	
AT&T	117.00	116.50	117.00	+0.50	
GE	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	

AMEX Diaries					
Index	High	Low	Last	Chg.	
Indust.	127.50	127.00	127.50	+0.50	
Transp.	127.50	127.00	127.50	+0.50	
Utilities	127.50	127.00	127.50	+0.50	
Finance	127.50	127.00	127.50	+0.50	
Compo.	127.50	127.00	127.50	+0.50	

NASDAQ Index					
Index	High	Low	Last	Chg.	
Indust.	127.50	127.00	127.50	+0.50	
Transp.	127.50	127.00	127.50	+0.50	
Utilities	127.50	127.00	127.50	+0.50	
Finance	127.50	127.00	127.50	+0.50	
Compo.	127.50	127.00	127.50	+0.50	

AMEX Most Active					
Vol.	High	Low	Last	Chg.	
IBM	127.50	127.00	127.50	+0.50	
AT&T	117.00	116.50	117.00	+0.50	
GE	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	
AMT	117.00	116.50	117.00	+0.50	

AMEX Stock Index					
Index	High	Low	Last	Chg.	
Indust.	127.50	127.00	127.50	+0.50	
Transp.	127.50	127.00	127.50	+0.50	
Utilities	127.50	127.00	127.50	+0.50	
Finance	127.50	127.00	127.50	+0.50	
Compo.	127.50	127.00	127.50	+0.50	

Month	High	Low	Close	Chg.	
12M	127.50	127.00	127.50	+0.50	
6M	127.50	127.00	127.50	+0.50	
3M	127.50	127.00	127.50	+0.50	
1M	127.50	127.00	127.50	+0.50	
1W	127.50	127.00	127.50	+0.50	
1D	127.50	127.00	127.50	+0.50	
1H	127.50	127.00	127.50	+0.50	
1Q	127.50	127.00	127.50	+0.50	
1Y	127.50	127.00	127.50	+0.50	
10Y	127.50	127.00	127.50	+0.50	
100Y	127.50	127.00	127.50	+0.50	

## Prices on NYSE Close Mixed

United Press International

NEW YORK — Blue-chip issues reached a six-month high Tuesday but prices were mixed on the New York Stock Exchange as the summer rally cooled with trading falling below the 200-million-share level for the first time in three sessions.

The market was buffeted between profit taking and investors using price declines as an opportunity to pick up quality stocks at more favorable prices.

Some traders apparently looked for excuses to pick up neglected issues such as oils, which gained ground late in the day following reports of renewed fighting between Iran and Iraq.

The Dow Jones industrial average, down 14 points at the outset after adding 0.88 Monday, rose 1.66 points to 1,204.62, the highest level since it finished at 1,213.88 on Feb. 2.

The Dow's 94.64-point rise in the past six sessions has made it vulnerable to profit taking. But experts said the Dow appears headed for a test of its 1984 high of 1,286.64 set Jan. 5.

Declines led advances 879-706 among the 2,025 issues traded.

Volume totaled 128 million shares, down sharply from the 203.1 million traded Monday, the second-busiest session in history. A record 236.6 million shares changed hands Friday.

"This is the pause that refreshes," said Peter Furniss of Shearson Lehman/American Express. "A lot of money was spent over the past three days and institutions are becoming more selective."

The bond market rebounded late in the day

after the Treasury's sale of \$6.5 billion in three-year notes in its \$16.75-billion quarterly refunding and federal funds rates, which banks charge one another for overnight loans, dropped to 11 1/16 percent from 11 13/16 percent at the outset.

"I think interest rates are going to come down in the near future," said Kevin Keeney of Southwest Securities, in Dallas. "It might be politically motivated but they will come down."

"When you get a market like this investors look for an excuse to get into stocks that haven't moved," said Michael Metz of Oppenheimer & Co. "My feeling is there will be another big move up close to 1,300 in the next week or so and then it will wander in a new range."

Federal National Mortgage, which is sensitive to interest rates, was the most active NYSE-listed issue, off 3/4 to 13 1/4.

Ford Motor was second, up 1/4 to 45 1/4. General Motors rose 1/4 to 75 1/4 and Chrysler 3/4 to 30 1/4. Chrysler plans to raise 1985 model prices on some cars by 5 percent.

Merrill Lynch was third on the list, up 3/4 to 31 1/4. Reports said Dean Witter Reynolds recommended buying the stock and Paine Webber recommended selling it.

Among the other breakers, Paine Webber lost 1/4 to 34 1/4, E.F. Hutton 3/4 to 33 1/4 and American Express 1/4 to 32 1/4. Phibro-Solomon Brothers rose 1/4 to 29 1/4 and DLI Securities 1/4 to 21 1/4.

IBM, which rose 1 1/4 Monday, lost 1/4 to 121 1/4 in heavy trading. AT&T, which lost 1/4 Monday, shed 1/4 to 118 1/4 in active trading.

Month	High	Low	Close	Chg.	
12M	127.50	127.00	127.50	+0.50	
6M	127.50	127.00	127.50	+0.50	
3M	127.50	127.00	127.50	+0.50	
1M	127.50	127.00	127.50	+0.50	
1W	127.50	127.00	127.50	+0.50	
1D	127.50	127.00	127.50	+0.50	
1H	127.50	127.00	127.50	+0.50	
1Q	127.50	127.00	127.50	+0.50	
1Y	127.50	127.00	127.50	+0.50	
10Y	127.50	127.00	127.50	+0.50	
100Y	127.50	127.00	127.50	+0.50	

Month	High
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INTERNATIONAL MANAGER

Seawater Spa Promotes Relaxation's Costly Joys

By SHERRY BUCHANAN  
International Herald Tribune

QUIBERON, France — Under stress? Want to keep in shape? Try getting slashed with a giant water hose anti-rust foam, bathing in a Jacuzzi-type bathtub filled with foaming 36-degree-centigrade (96.8 degrees Fahrenheit) sea water, being massaged underwater or wrapped neck to toe in hot mud dredged from the deep ocean floor. Many executives have tried it and have come back for more.

This is seawater therapy Quiberon-style at the Sofitel Thalassa, a luxury resort on the rocky southern coast of Brittany. There are two basic principles to seawater therapy. The first is that if breathing the sea air is good for you, being dipped and massaged in it must be even better. Second, hydrotherapy, using different water pressures, temperatures and massage techniques, stimulates or relaxes your muscles.

For patients with hypertension, however, some doctors advise against it.

But Quiberon is not just hydrotherapy with salt water. Guests can also rest in a room saturated with negative ions released from gaseous salt water — to clean out tobacco-polluted lungs — or have a facial with cells of unborn calf fetuses — a favorite of middle-aged executives, according to the institute's beautician, Yvette Brosolo.

"Executives love it," she said. "Any sign of aging is a mark against them. Today half of my clients are men. But believe me, back in the '60s it just wasn't done." Guests with an extra bulge here and there can stay at the complex's Sofitel Diététique, where people pay more to eat less and get a bar stocked with mineral water. Drinks at the alcohol-free Sofitel Diététique include 27 different kinds of teas, although an occasional whisky bottle gets smuggled into the rooms.

Traditionally, seawater therapy centers in Europe have attracted convalescents or people suffering from rheumatism and other ailments who can benefit from the supposed healing properties of iodine and other elements of salt water.

People at the Sofitel Diététique pay more to eat less and get a mineral-water bar.

BUT the Sofitel complex at Quiberon, the brain child of Marie-Josée Laroche Bobet, the dynamic and attractive French woman who manages it, has something that most other seawater therapy centers do not have: chic, decorated rooms with an ocean view, delicious food, a respectable sprinkling of recognizable VIPs and Portluth bathrobes worn for the three hours or so of therapy a day. Among the past clients are President François Mitterrand of France, who stayed at the spa before he took office; Prime Minister Laurent Fabius; Bernard Larvin, managing director of L'Oréal Cosmetics; and Christian Giacometti, director of Banque de l'Union Européenne.

Unlike the more energetic style of U.S. health farms à la J. Fonda, the Quiberon message is that it's okay to relax and feel good about it. "We mother people," said Dr. Alain G. Deledicque, a doctor at the Institute of Thalassotherapy at the complex. "Seawater therapy reproduces the effect of a caress."

Although prices vary, a room with an ocean view at the Sofitel Thalassa is about \$150 a day for two. Three meals a day without wine are included. The treatment itself is about \$30 a day for each person. Mud baths are extra. The institute buys 40 tons (36 metric tons) of the stuff a year at about \$1.20 a kilogram (2.2 pounds).

According to executives who go back regularly to Quiberon to relax and keep in shape, the Sofitel complex works not only because of the treatment but because of a relaxed atmosphere, an exceptional climate, the isolation and beauty of the spot and the variety of other activities around it — golf, tennis and wind surfing.

"This place is really for people in a wear-and-tear world," said a guest from New York. "I feel taken care of. The treatment alone is not that unique, although the ocean water may be more invigorating here than somewhere else. But it's a combination of all those things. I just take it as relaxation."

But some executives say that seawater therapy does not have to be passive. "I like the aspects of the treatment where you are actively doing something, and not just sitting there doing nothing in some foaming bath tub," said Bernard Demole, who is president of the complex.

(Continued on Page 12, Col. 8)

Pan Am Slips Back Into Red

Deficit Reached \$49.8 Million

By The Associated Press

NEW YORK — Pan American World Airways reported on Tuesday a second-quarter loss of \$49.8 million in contrast to a \$10.4-million profit a year ago, citing a high level of discounted travel for frequent flyers.

For the half, the airline had a loss of \$120.1 million, wider than the first-half loss of \$69.3 million a year ago.

Revenue declined 2.9 percent in the second quarter to \$918.3 million from \$945.6 million.

In the half, revenue was \$1.79 billion, up 0.8 percent from \$1.78 billion.

In trading on the New York Stock Exchange, Pan Am stock declined 75 cents a share to close at \$5.

Pan Am, struggling with new competitors and hard-hit by high fuel prices, high labor costs and the 1980-82 recession, has sustained losses for more than three years.

Last year, Pan Am reported a loss of \$51 million; its 1982 loss was \$485.3 million, a record for U.S. airlines, and in 1981 it lost \$18.9 million.

The company said its second-quarter results were hurt by an "unusually high amount of free discounted travel" as a result of a high redemption rate of its frequent-traveler "WorldPass" program through which regular passengers accumulate free travel credits. The airline imposed a June 30 deadline for use of credits earned in prior years, which forced a high proportion of free travel in the second quarter.

The losses are the heaviest for any major U.S. airline, most of which reported steady improvement this year.

■ **Branniff Ponders Merger**

The new owners of Branniff Inc. are discussing a possible merger of the reorganized airline with another major airline to generate increased traffic and strengthen its route system, United Press International reported Tuesday from Dallas.

Jay A. Pritzker, chairman of Chicago's Hyatt Corp., which is the majority owner of Branniff, said Monday that his "very, very casual" talks with executives of other airlines included a possible merger of the airline.

Branniff, which filed for protection under U.S. bankruptcy law in May 1982 and resumed flying last March as Branniff Airways after a reorganization battle in bankruptcy court, suffered a loss of \$30.6 million in the fiscal quarter ended in April.

At Standard Telephones, Chairman Is Aiming to 'Grow a New Company'

By Bob Hagerly  
International Herald Tribune

LONDON — Sir Kenneth Corfield, chairman of Standard Telephones & Cables PLC, can hardly wait to march his company into the promised land of office automation.



Sir Kenneth Corfield

"We're going to grow a new company," Sir Kenneth said in an interview last week, a few days after STC announced a surprise takeover bid valued at about £350 million (\$462 million) for Britain's only maker of large computers, ICL PLC. Transported by his enthusiasm, Sir Kenneth even slipped into calling his own company STL.

Before he can transform his company, though, Sir Kenneth must win the hearts and pocketbooks of the investment community. That promises to be a long struggle. ICL has dismissed his bid as "totally inadequate," suggesting that STC is in for a protracted battle of nerves. Moreover, many of London's most influential electronics analysts are deeply skeptical about the wisdom of uniting the two companies.

"It's not one of those marriages that are blessed from the start," said an executive at Plessey Co., one of STC's big British rivals in telecommunications equipment.

That STC wanted a big acquisition was no surprise. Two years ago, ITT Corp. reduced its shareholding in STC to about 35 percent, leaving the former subsidiary to find its own way. At about the same time, STC dropped out of the race to manufacture System X, the main switching equipment that British Telecom is using to upgrade Britain's telecommunications network. In compensation, STC received a lucrative order to supply less-advanced switching equipment to British Telecom. That order provides an estimated 25 to 30 percent of STC's profit, but

notably International Business Machines Corp.'s 23-percent stake in Rotom Corp., a big U.S. maker of voice and data switchboards; American Telephone & Telegraph Co.'s 25-percent stake in Olivetti; and L.M. Ericsson's joint venture with Honeywell Inc.

By taking over ICL, STC contends that it can take such collaboration a step further, working together at the design stage rather than trying to make two ready-made products work together.

STC also promises to give ICL much-needed financial strength. That contention might be especially appealing to the British government, which has been called in to rescue ICL twice in the past 15 years, most recently with £200 million of loan guarantees in 1981.

Sir Kenneth pointed to STC's strong profits from such mature products as telex equipment and submarine cable. These "milk cows," he said, will pay for the huge research and development costs facing an electronics company with global ambitions.

What is unclear, many analysts say, is just how STC and ICL fit together. In several respects, they share the same weaknesses. While ICL profits would replace those lost on switching equipment, said Douglas Hawkins of James Capel & Co., "I don't believe STC can bring anything substantial to the merger."

Both companies rely heavily on the British market, which provides 70 percent of STC's sales and 60 percent of ICL's. Sir Kenneth said the two have a "useful start" overseas, though further development is imperative.

So far, neither has attained a significant presence in the U.S. market, a gap Sir Kenneth saw as a weakness. "Had ICL succeeded in making a dent in the U.S. market," he said, either "we (Continued on Page 13, Col. 4)

Dollar Reaches 11 1/2-Year High Against Mark

NEW YORK — The dollar bounded to an 11 1/2-year high of 2.93 Deutsche marks in nervous early afternoon trading, dealers said Tuesday.

But the surge proved too rapid to be sustained and the currency was quoted in late afternoon at 2.9168 DM to the dollar, up from 2.8875 DM the previous day.

"The dollar just jumped about two pennings on remarkable volume and very substantial demand," one trader said early in the afternoon.

Dealers said they found it difficult to pinpoint the reason for the surge in the currency but suggested that an inflow of overseas investor funds into dollars may be accelerating in order to participate in the rallying U.S. bond and stock markets.

There is also a growing conviction that upward pressures on short-term interest rates may intensify.

In other late New York trading, the dollar soared against the French franc to a record 6.98 from Monday's 6.8625. The British pound slumped to \$1.3058 from \$1.318 the previous day. And the U.S. currency strengthened sharply against the yen to 244.825 from 243.

Gold, hit by selling triggered by the dollar's strength, closed in London at a bid price of \$343.75 an ounce, down nearly \$6 from \$349.50 late Monday.

On the Commodity Exchange in New York, gold for delivery this month fell \$4.80 dollars an ounce to settle at \$344.

In London, the dollar closed sharply higher in often hectic and heavy trading, with dealers reporting aggressive dollar buying in a renewed bout of bullish sentiment.

The dollar closed in London at 2.9155 DM, higher than an opening 2.8980 DM and up from Monday's late 2.8853 DM. The U.S. currency reached a 2.9270 DM high in midday trading and after retreating for a while again breached 2.92.

The U.S. currency was at a record 1.78892 Italian lire at the close, bettering its previous record of 1.78850, set Aug. 1, and up from Monday's late 1.76955.

A British clearing bank dealer said, "The dollar's fall last week proved to be yet again temporary. There is no real reason to sell, and the market can't disregard pro-dollar sentiment."

"The dollar downturn appears to have been only temporary because of interest rate expectations that have turned out to be misplaced," another dealer said.

Reports that Paul A. Volcker, the chairman of the Federal Reserve Board, felt his recent Senate testimony was wrongly interpreted as presaging lower interest rates also led operators to seek dollars Tuesday, dealers said. "He expected the markets to advance on the testimony, but not that much," one trader said.

One noted that, in the absence of fresh factors, the dollar is still in demand as an investment currency. "There simply isn't any other major currency where you can get these kind of yields," he said.

In New York, Citicorp said the average rate at its weekly auction of 91-day commercial paper rose to 11.370 percent from 11.314 percent last week, with the rate on 182-day paper slipping to 11.388 percent from 11.404 percent.

On the 91-day paper, all accepted bids were at 11.370 percent. Bids totaling \$1,005 billion were submitted, of which Citicorp accepted \$100 billion.

OECD Warns France Against Relenting on Austerity Moves

PARIS — France's economic austerity program is working, but the recovery is fragile and the government must not succumb to the political temptation of stimulating the economy to reduce unemployment, the Organization for Economic Cooperation and Development said in a report released Wednesday.

The Socialist Party government has pledged to continue the austerity program, despite widespread unhappiness over the policy and deep divisions within the Socialist and Communist parties over its effects on the unemployment rate.

Unemployment in France, which was 8 percent in 1983, currently is

estimated at 9 percent, and the OECD predicted a rise to between 10.5 and 11 percent, or more than 2.5 million people, by 1985.

Unhappiness over the austerity program was the major reason the French Communist Party pulled out of the government coalition last month after President François Mitterrand named Laurent Fabius as prime minister and ordered him to form a new Cabinet.

The Communists, as well as the Socialists' own left wing, also are opposed to government plans to cut tens of thousands of jobs from such ailing industries as steel, automaking, shipbuilding and coal mining in an effort to make them competitive internationally.

In its annual survey of the French economy, the OECD said the tightening of monetary and fiscal policy last year had slowed inflation and reduced external deficits, but it acknowledged that progress came at the cost of a marked slowing of the economy and higher unemployment.

OECD economists expected a further narrowing of France's trade deficit over the next 16 months and predicted the balance of payments will move back into equilibrium in 1985, ending four years of deficits. The rise of prices and incomes should continue to moderate, but the economy will remain too sluggish to prevent a continued rise in unemployment, they predicted.

The austerity program was imposed in March 1983 following the third devaluation of the French franc since Mr. Mitterrand took office in May 1981.

Assuming unchanged economic policy, the report predicted that the growth of gross domestic product would rise to an annual rate of 1.9 percent in the second half of 1984 from 1.2 percent in the first half of this year. Such growth would be broadly in line with the government's target of 2 percent next year after 1.2 percent in 1984.

The OECD predicted inflation of 5.7 percent next year, compared with a forecast of 7.6 percent in 1984 and 1983's 9.6 percent. The

government's official target for 1985 is 4 to 5 percent.

Assuming a slight increase in market shares for French exporters, the trade deficit could be trimmed to \$2 billion next year from \$4.3 billion in 1984 and \$7.5 billion last year, the OECD said. It said the balance of payments could swing into a slight surplus in 1985 after deficits of \$1.8 billion in 1984 and \$3.8 billion in 1983.

The OECD also cautioned that persistent weakness in productive investment "might have positive trade-balance effects in the very short term by holding back imports, but over the longer run it could only worsen" the French economy's competitive position.

CURRENCY RATES

Late interbank rates on Aug. 7, excluding fees.

Official fixings for Amsterdam, Brussels, Milan, Paris, New York rates at 4 P.M. EDT.

	DM	FF	£	¥	S	DM	FF	£	¥	S
Amsterdam	2.09	172.85	36.28	164.50	17.85	2.09	172.85	36.28	164.50	17.85
Brussels	2.09	172.85	36.28	164.50	17.85	2.09	172.85	36.28	164.50	17.85
Frankfurt	2.09	172.85	36.28	164.50	17.85	2.09	172.85	36.28	164.50	17.85
London	1.26	10.63	2.48	114.50	5.48	1.26	10.63	2.48	114.50	5.48
Milan	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
New York	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
Paris	6.55	54.55	12.44	545.50	12.44	6.55	54.55	12.44	545.50	12.44
Tokyo	164.50	1364.50	29.45	1245.50	54.55	164.50	1364.50	29.45	1245.50	54.55
Zurich	2.09	172.85	36.28	164.50	17.85	2.09	172.85	36.28	164.50	17.85
1 ECB	0.76	6.27	1.40	54.55	12.44	0.76	6.27	1.40	54.55	12.44
1 SDR	1.78	14.55	3.20	124.50	6.04	1.78	14.55	3.20	124.50	6.04

Dollar Values

	DM	FF	£	¥	S	DM	FF	£	¥	S
100% Australia	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
100% Austria	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
100% Belgium	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
100% Canada	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
100% Denmark	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
100% Finland	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
100% France	6.55	54.55	12.44	545.50	12.44	6.55	54.55	12.44	545.50	12.44
100% Germany	2.09	172.85	36.28	164.50	17.85	2.09	172.85	36.28	164.50	17.85
100% Greece	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04
100% Hong Kong	1.36	11.36	2.64	124.50	6.04	1.36	11.36	2.64	124.50	6.04

1 Sterling = 1.2371 franc  
100 Commercial franc (b) Amount needed to buy one pound (c) Amount needed to buy one dollar (d) Units of 100 (e) Units of 1,000 (f) Units of 10,000  
N.D.: not quoted; N.A.: not available.

INTEREST RATES

Eurocurrency Deposits Aug. 7

	1 mo.	3 mos.	6 mos.	1 yr.
100% Australia	11 1/2	12 1/2	13 1/2	14 1/2
100% Austria	11 1/2	12 1/2	13 1/2	14 1/2
100% Belgium	11 1/2	12 1/2	13 1/2	14 1/2
100% Canada	11 1/2	12 1/2	13 1/2	14 1/2
100% Denmark	11 1/2	12 1/2	13 1/2	14 1/2
100% Finland	11 1/2	12 1/2	13 1/2	14 1/2
100% France	11 1/2	12 1/2	13 1/2	14 1/2
100% Germany	11 1/2	12 1/2	13 1/2	14 1/2
100% Greece	11 1/2	12 1/2	13 1/2	14 1/2
100% Hong Kong	11 1/2	12 1/2	13 1/2	14 1/2

Rates applicable to interbank deposits of \$1 million minimum (or equivalent).

Asian Dollar Rates Aug. 7

	1 mo.	3 mos.	6 mos.	1 yr.
100% Australia	11 1/2	12 1/2	13 1/2	14 1/2
100% Austria	11 1/2	12 1/2	13 1/2	14 1/2
100% Belgium	11 1/2	12 1/2	13 1/2	14 1/2
100% Canada	11 1/2	12 1/2	13 1/2	14 1/2
100% Denmark	11 1/2	12 1/2	13 1/2	14 1/2
100% Finland	11 1/2	12 1/2	13 1/2	14 1/2
100% France	11 1/2	12 1/2	13 1/2	14 1/2
100% Germany	11 1/2	12 1/2	13 1/2	14 1/2
100% Greece	11 1/2	12 1/2	13 1/2	14 1/2
100% Hong Kong	11 1/2	12 1/2	13 1/2	14 1/2

Key Money Rates

Prime Rate, 30-90 days	11.15	11.15	<b>France</b>	
3-month Treasury Bills	10.51	10.53	intervention Rate	11 1/4 11 1/4
6-month Treasury Bills	10.61	10.65	Call Money	11 11
CD's 30-90 days	10.75	10.76	One-month interbank	11 1/4 11 1/4
CD's 60-90 days	10.98	10.97	3-month interbank	11 1/4 11 1/4
			6-month interbank	11 1/4 12 1/4

<b>West Germany</b>	
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West Germany

6-month Interbank	6.45	6.45	Hong Kong	346.45	346.45	- 5.10
<b>Japan</b>			Luxembourg	346.75	-	- 4.45
			Paris (12 1/2 kilo)	346.51	344.54	- 8.13
Discount Rate	5	5	Zurich	346.25	342.875	- 5.375
Call Money	6 1/4	6 1/4	London	346.25	342.00	- 7.25
30-day Interbank	6 1/4	6 1/4	New York	346.00	-	- 4.90

Japan

	Close	Prev.	Close	Prev.	
Discount Rate	5	5	Call Money	11 1/2	11 1/2
Call Money	5	5	91-day Treasury Bill	11 1/2	11 1/2
3-month Treasury Bill	5	5	3-month Treasury Bill	11 1/2	11 1/2
6-month Treasury Bill	5	5	6-month Treasury Bill	11 1/2	11 1/2
9-month Treasury Bill	5	5	9-month Treasury Bill	11 1/2	11 1/2
1-yr Treasury Bill	5	5	1-yr Treasury Bill	11 1/2	11 1/2

Sources: Commercial Bank of Tokyo and Zurich, New York, London, Tokyo, Osaka, and other major banks. All rates in U.S. per annum.

Hutchison Is Shaking Up Management

By Dinah Lee  
International Herald Tribune

HONG KONG — Hutchison Whampoa Ltd., a leading property and trading company in Hong Kong, has announced the resignation of its chief executive, John Richardson, as part of a major management shake-up.

The company said two other key managers — the operations director, Jonathan Hubbard-Ford, and the finance director, P.W. Wight — also will leave.

The announcement Monday said that a new management team will take over Oct. 1, led by Simon Murray, the former chief executive of Davenham Engineering.

Sources within the company said the departures of the managers resulted from longstanding differences between Mr. Richardson and the company's chairman, Li Ka-shing.

Mr. Li gained control of Hutchison in 1979, when he bought a controlling interest from Hong Kong & Shanghai Banking Corp.

Rumors of friction between Mr. Li and Mr. Richardson gained momentum last March, when the company surprised the local stock market by offering 2 billion Hong Kong dollars (\$255 million) in special dividends, or 4 Hong Kong dollars a share. Mr. Richardson reportedly opposed the payout to shareholders and preferred to retain the company's large cash surplus.

Mr. Li also had suggested to Mr. Richardson that he should leave. (Continued on Page 12, Col. 7)

New U.S. Import Rules Worry Hong Kong Textile Makers







## BUSINESS ROUNDUP

## Peugeot, Government Moving Closer

By Linda Bernier  
Washington Post Service

PARIS — Peugeot SA, the venerable automaker and proud partner of French capitalism, is being pushed toward a closer relationship with the Socialist government than it has ever had.

Production, exports and market shares are down at home and abroad, and Peugeot, or PSA, the maker of Peugeot, Citroën and Talbot cars, faces increased costs and competition.

Consolidated losses at PSA have been widening steadily over the past four years, from 1.5 billion francs (\$167.2 million at current rates) in 1980 to 2.5 billion francs in 1983.

And despite the reluctance of the Socialist government and the staunchly independent PSA to work more closely together to bail out the troubled car maker, there are increased expectations here that more government financial support will be required.

While careful not to appear too critical of the Socialist government, PSA executives blame most of their problems on government policies and practices that hinder the group's restructuring plans.

Complained PSA Chairman Jean-Paul Pury: "From 1979 to 1981, we reduced personnel worldwide by 55,000 — about 25 percent — without any drama. From 1982 until 1983, we couldn't really reduce personnel. And last year it took six months, with violent strikes, to lay off 6,500 workers."

What PSA will avail itself of is the same government financial aid available to all companies in France: export aid, insurance for foreign investment, soft loans for modernization, and aid for investment in underdeveloped regions.

Last year, PSA raised about 700 billion francs in government aid. For this year, the group has been awarded 750 billion francs by the Fonds Industriel de Moderni-

sation to modernize a plant near Paris.

In 1976, Peugeot took over the financially ailing Citroën car company, then controlled by the Michelin tire group. After turning around Citroën, Peugeot acquired Chrysler's European operations in 1978, renaming their cars Talbot.

Donald Kress, the Paris-based auto specialist at Booz, Allen Hamilton, which was the lead management consultant on the Chrysler board following the U.S. government bailout, said he was "shocked" at the Peugeot acquisition.

Pointing out that it takes about a billion francs to develop a new engine, he said that PSA is not investing enough to really turn the group around within the two to four years necessary before the competition eats up too much of its market share. Most car companies have started this kind of massive modernization well before Peugeot, at least a decade ago, he said.

Peugeot invested about 14 billion francs from 1980 to 1984 and is planning to invest about 4 billion francs annually over the next couple of years.

## Daimler-Benz to Boost Work Force

International Herald Tribune

STUTTGART — Daimler-Benz AG, the West German automaker, said it will hire 2,000 workers in the second-half of the year largely as an effort to secure the company's chances of making up for much of the production lost to the seven-week metalworkers' strike that ended in late June.

The company lost 65,000 passenger cars to the strike and has said that it now only can hope to match in 1984 the output of 476,000 cars achieved last year. Daimler originally set its sights on 520,000 cars for 1984 before the strike ruled out that prospect.

A spokeswoman for Daimler said the new jobs are to be consid-

ered permanent positions and are aimed at maximizing production at a time when demand for Mercedes cars is strong, especially in the United States.

"Our policy never has been to hire, then fire," the spokeswoman said, referring to speculation that Daimler was taking on the new workers simply as short-term help to make up for the large production losses.

The creation of 2,000 new spots at Daimler's factories in Stuttgart and Bremen follows an earlier expansion of the workforce by 2,000 during the first half of the year. For the past decade, Daimler consistently has increased its domestic labor force, although by small amounts.

In comparison, state-owned Renault spent almost 9 billion francs last year alone and is planning to spend about 30 billion francs during the 1983-86 period. And Renault's program is much more advanced, Mr. Kress contended.

PSA's market share in France, at 45 percent in 1978, was down to 32 percent in 1983. In Europe, market share declined from first place at 17.1 percent in 1979 to fifth place at 11.3 percent last year, behind General Motors, Ford, Fiat and VW-Audi. According to auto company reports.

Other analysts don't have the same gloomy view of PSA's future as Mr. Kress. Although in retrospect they, too, see the 1970s expansion as a mistake, many are confident in PSA's top management and believe the company is well on its way to recovery.

Several analysts believe PSA will at least break even in 1984 and possibly show a slight profit — perhaps 500 million francs and a 2-billion-franc profit for 1985, according to Daniel Cruse of the brokerage firm Meischert Rouselle & Cie.

## STC's Chief Aims to 'Grow A New Firm'

(Continued from Page 9)

would like them an awful lot better, or we wouldn't be able to afford them." To improve the combined company's balance, Sir Kenneth said, he would aim for a major U.S. acquisition within a couple of years.

Both ICL and STC also are used to selling most of their products to government bodies rather than to the private sector, where both are turning for growth. About a third of STC's sales are still to a single customer, British Telecom.

STC's strengths are in cables and other transmission equipment rather than in the office-equipment end of telecommunications. Sir Kenneth conceded that STC's British market share in switchboards has slid to 18 percent from what he called the traditional level of 30 percent. STC does not yet make a large digital switchboard, one that can handle more than 300 phone lines, relying instead on outdated analog technology. Yet, digital switchboards are widely viewed as the heart of future voice and data networks.

Both companies have strengths in research, but neither has proved particularly adept in putting together packages of equipment and marketing them effectively to a broad range of customers. STC contends that it can benefit from ICL's sales and service network; others are skeptical.

In addition, both companies rely heavily on outside technology at the very center of their office-automation products. ICL's new generation of computers is to use microelectronics technology from Japan's Fujitsu Ltd. Some analysts question whether Fujitsu would want to pass on that technology to STC, which makes its own semi-conductors.

STC, in turn, uses ITT technology for switching. Though neither STC nor ITT is yet a major force in office automation, both are charging into the market. Some analysts see potential for a clash of interests and fear that ITT will try to restrain STC's growth outside of Britain.

Sir Kenneth dismisses this idea. Far from seeing STC as a potential threat, he said, ITT "will say, 'Ken Corfield is showing the way.'"

## ADVERTISEMENT

## BASS PUBLIC LIMITED COMPANY (C204)

The undersigned announces that as from 16th August, 1984 at Koo Associates N.V., Spitsdijk 172, Amsterdam, div. 22 of the C204 Bass Public Limited Company, each repr. 50 shares, will be payable with Dfls. 6.89 (ex interim dividend for the year ended 30th September 1983) 3.20 p per share. Tax credit £ - 20% = Dfls. 3.02 per share.

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## BUSINESS PEOPLE

## Deputy Chief Is Appointed By Hambros

Hambros Bank, the London-based merchant bank, has appointed John Padovan deputy chairman, effective Aug. 30. For the past eight months, Mr. Padovan has been chairman of County Bank, the merchant banking arm of National Westminster Bank. He will be succeeded at County Bank by Charles Villiers, who will remain chief executive.

At Hambros, Mr. Padovan, 46, will be responsible for the corporate finance and international banking departments, while day-to-day operations will continue to be run by Michael Sorkin and Ian Schmiegelow. Christopher Spörborg, who heads the corporate finance division, will take over responsibility for investments and

## Bank of America Promotes Frick

New York Times Service

SAN FRANCISCO — Robert W. Frick has been elected vice chairman of Bank of America and head of its international operations.

Mr. Frick, who is 47 years old, assumes responsibility for Bank of America's world banking division, the organization charged with delivering a full range of banking services to corporations, institutions and governments around the world. He succeeds W.H. Bolin, who retired earlier this year.

With operations in 76 countries, the world banking division is one of Bank of America's four major profit centers. Last year, it represented \$70.3 billion of an average \$120 billion in assets and \$38.4 billion of \$77.5 billion in net loans.

for increasing the group's return on non-banking assets.

Mr. Padovan had been with County Bank for the past 14 years. He was appointed deputy chief executive in 1974 and chief executive in 1976, a position he held until January this year when he became chairman. He had been vice-chairman since 1982.

Mr. Villiers, 43, has been chief executive at County Bank since January, when he took over from Mr. Padovan.

Dai-ichi Kangyo Bank Ltd. said Yutaka Toda is to head its new branch in Hong Kong, which is scheduled to open later this year. Mr. Toda currently is in the bank's Tokyo head office.

Banque Nationale de Paris has upgraded its representative office in Taipei to a full branch and named Jacques Savary general manager.

Lloyds Bank PLC, London, has appointed A.E. Moore to the new post of group treasurer. J.A. Da-

vies, currently regional director and general manager for the bank's South Midlands region, will take over from Mr. Moore later this year as treasurer of Lloyds Bank International with responsibility for exchange and money market division.

National Westminster Bank PLC has named Ian Farnsworth and Peter Newman to lead its British finance and marketing team based in London.

— BRENDA HAGERTY  
in Paris

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## COMPANY NOTES

AEG-Telefunken AG's household appliance subsidiary, AEG-Telefunken Hausgeräte AG, increased turnover in all significant product groups in the first half of 1984. A company spokesman said the subsidiary has operated in profit since last autumn and will show a profit for 1984.

Beecham Group PLC said the \$1.5 billion Food and Drug Administration has given formal approval for its company to market its Augmentin antibiotic drug in the United States. The company said it will use the drug there next month.

Approval is for infections of the respiratory tract, skin, soft tissues of the urinary tract. Distillers Co., Britain's biggest whisky maker, announced closure of two of its eight whisky plants in Scotland. The company said a total of 715 jobs would be eliminated in Glasgow and South Queensferry, the Glasgow plant blends and bottles White Horse Whisky, and the South Queensferry plant makes at 69 and Antiquary.

General Motors Corp. directors have announced a \$1.25 per share common-stock dividend for the third quarter, payable Sept. 10 to stock of record Aug. 16. GM paid

the same amount for the second quarter after raising the payout from \$1 in the first quarter. The dividends announced Monday brought to \$3.50 the accumulated common dividend for the first nine months of the year.

Imperial Chemical Industries PLC's agricultural division is looking in the Caribbean, among other overseas locations, for cheap natural gas sources for conversion into methanol, a spokesman said. He said the division had decided not to pursue a methanol project at Sharjah in the United Arab Emirates.

Kian Joo Gas Factory Ltd. said the Capital Issues Committee has approved its proposed public issue of 8.5 million 50-cent shares at 60 cents each on the Kuala Lumpur Stock Exchange. The company said it plans to list shares on the Singapore Stock Exchange.

National Semiconductor Corp. and the Pentagon said Tuesday they had resolved the differences that led to a military buying ban on the company's computer chips. The agreement settled what the company called "administrative issues" arising from its March 6 conviction on a 40-count indictment charging fraudulent testing of the chips used

in sophisticated armaments, a joint announcement said.

Rockwell International Corp. won two U.S. Air Force contracts totaling \$259.5 million, and FMC Corp. received a \$182.3 million Navy contract, the Defense Department said. The Air Force contracts to Rockwell involve technology for MX missile systems and B-1B spare parts.

Sikorsky Aircraft, a division of United Technologies Corp., in a transaction expected to get U.S. approval soon, will sell \$140 million in special high-altitude helicopters to China, the company said. The Chinese recently signed a contract to purchase 24 of the S-70C helicopters, which are civilian versions of Sikorsky's military Black Hawk helicopters, a company spokesman said.

Transcontinental Energy Corp. said it signed a letter of intent with investors associated with Schottenstein Stores under which they would acquire a majority stake in Transcontinental. The agreement calls for the investors to attempt a complete restructuring of Transcontinental's outstanding debt, both secured and unsecured.

## crédit foncier de france

## ECU 70,000,000 Floating Rate Notes of 1984/1994

unconditionally guaranteed by the Republic of France

Deutsche Bank Aktiengesellschaft  
Banque Bruxelles Lambert S.A.  
Algemeine Bank Nederland N.V.  
Bank of Tokyo International Limited  
Banque Internationale à Luxembourg S.A.  
Crédit Lyonnais  
DG Bank Aktiengesellschaft  
IBJ International Limited  
Lloyds Bank International Limited  
Mitsubishi Finance International Limited  
Sanwa Bank (Underwriters) Limited  
S.G. Warburg & Co. Ltd.

Banque Nationale de Paris  
Crédit Commercial de France  
Amro International Limited  
Banque Générale du Luxembourg S.A.  
Caisse des Dépôts et Consignations  
Crédit Suisse First Boston Limited  
Dresdner Bank Aktiengesellschaft  
Istituto Bancario San Paolo di Torino  
LTCB International Limited  
Morgan Guaranty Ltd  
Saudi International Bank Al-Bank Al-Saudi Al-Alami Limited  
Swiss Bank Corporation International Limited  
Banca Commerciale Italiana  
Banque Indosuez  
Commerzbank Aktiengesellschaft  
Dai-ichi Kangyo International Limited  
Enskilda Securities Skandinaviska Enskilda Limited  
Kreditbank S.A. Luxembourgeoise  
Manufacturers Hanover Limited  
Orion Royal Bank Limited  
Société Générale de Banque S.A.  
Westdeutsche Landesbank Girozentrale

## crédit foncier de france

ECU 70,000,000  
11% Bonds of 1984/1996  
retractable on August 8, 1990

unconditionally guaranteed by the Republic of France

Deutsche Bank Aktiengesellschaft  
Banque Bruxelles Lambert S.A.  
Banque Paribas  
Caisse des Dépôts et Consignations  
Kreditbank S.A. Luxembourgeoise  
Société Générale  
Société Générale de Banque S.A.  
Algemeine Bank Nederland N.V.  
Amro International Limited  
Banque Générale du Luxembourg S.A.  
Commerzbank Aktiengesellschaft  
Crédit Communal de Belgique S.A.  
Credit Suisse First Boston Limited  
DG Bank Aktiengesellschaft  
Dresdner Bank Aktiengesellschaft  
IBJ International Limited  
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Morgan Guaranty Ltd  
Orion Royal Bank Limited  
Union Bank of Switzerland (Securities) Limited  
S.G. Warburg & Co. Ltd.  
Westdeutsche Landesbank Girozentrale  
Abu Dhabi Investment Company  
Al Saudi Banque  
Baden-Württembergische Bank Aktiengesellschaft  
Banca Commerciale Italiana  
Banca del Gottardo  
Bank of America International Limited  
Bank für Gemeinwirtschaft Aktiengesellschaft  
Bank Ippe  
Bank Moes & Hope NV  
Bank of Tokyo International Limited  
Banque Française du Commerce Extérieur  
Banque Indosuez  
Banque Internationale à Luxembourg S.A.  
Banque de Luxembourg S.A.  
Banque de l'Union Européenne  
Banque Populaire Suisse S.A. Luxembourg  
Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft  
Berliner Handels- und Frankfurter Bank  
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Compagnie de Banque et d'Investissements, CBI  
Copenhague Handelsbank  
Crédit Commercial de France  
Crédit du Nord  
Crédit Industriel et Commercial de Paris  
Créditanstalt-Bankverein  
Enskilda Securities  
Skandinaviska Enskilda Limited  
Gefina International Ltd.  
Hambros Bank Limited  
Landesbank Rheinland-Pfalz - Girozentrale -  
Manufacturers Hanover Limited  
Samuel Montagu & Co. Limited  
Norddeutsche Landesbank Girozentrale  
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Rabobank Nederland  
Société Ségénale de Banque  
Trinkaus & Burkhart  
Hill Samuel & Co. Limited  
Lloyds Bank International Limited  
Merrill Lynch International & Co. Limited  
Morgan Stanley International  
Nuovo Banco Ambrosiano  
PK Christiania Bank (UK) Limited  
Sanwa Bank (Underwriters) Limited  
Sparbanken Oslo Akershus  
Société Générale Alsacienne de Banque  
Svenska International Limited  
Wood Gundy Limited



# Tuesdays AMEX Closing

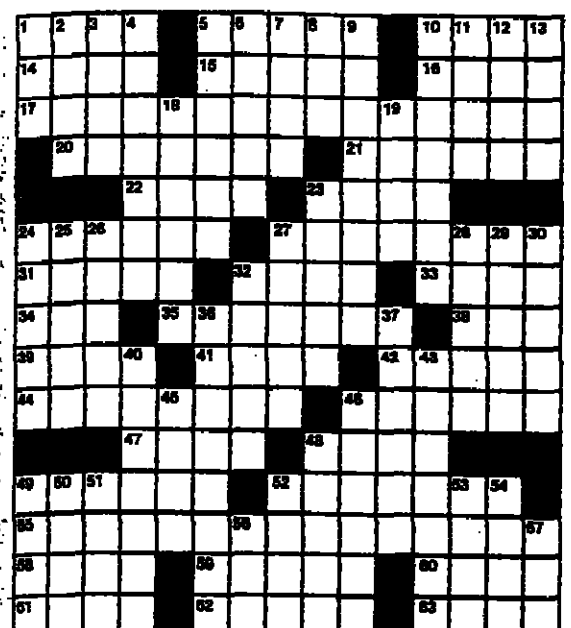
Vol. 4 P.M. 1728.00  
Prev. 4 P.M. Vol. 1468.00

Tables include the nationwide prices  
up to the closing on Wall Street

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409	409	409	ALLIANCE				410	410	410	ALLIANCE				411	411	411	ALLIANCE			





**ACROSS**

1 A son of Juno  
5 Bewildered  
10 Part of h.c.l.  
14 Baseball family name  
15 All by oneself  
16 Tantalus  
17 Dish named for its sounds on the stove  
20 Scarier's rival  
21 Eisenhower's "Crusade in"  
22 "Old Cowhand"  
23 Young herring  
24 Cleaned a briar  
27 Walked like a two-year-old  
31 Composer for Broadway's "St. Louis Woman"  
32 First-rate product  
33 Coleridge  
34 Epithet for Anthony Wayne  
35 Seafood fritters, Japanese style  
38 Group for a G.P.  
39 Pre-owned  
41 Liberty or America  
42 Kind of box or joint

**DOWN**

1 Mythical sovereign  
2 An astringent  
3 Post-shower garb  
4 Exalted  
5 Bachelors  
6 M. LePage  
7 Frigid, e.g.  
8 Sake  
9 Swain  
11 Oil, in Olet  
12 Masher's commencement

**ACROSS**

44 Calmness  
45 Be ele-mosynary  
47 Red beast in a Steinbeck tale  
48 Appear  
49 Femme fatale's forte  
52 Ingredient of 17 Across  
53 Ingredients of 17 Across  
54 "Me Disappear," 1989 play  
58 Foreign minister under Mussolini  
59 Imifal, to a Gael  
61 Bankers' Washington  
62 Tugs and safety rail  
63 Phoebe or C. P.

**DOWN**

13 Shot on a set  
18 Jeremiad  
19 Discontinue  
23 Boss's largest branch  
24 Clean the slate  
26 Wood used for piling  
27 Stowe's "limb of mischief"  
28 Lariat  
29 Robert Sherwood  
30 Mary Innes ship  
32 Peace  
36 Bill  
37 It multiplies by fission  
40 Appoints as one's agent  
43 Bridewell occupants  
45 Tugs and Maggie's daughter  
46 I.O.U. giver  
48 Rhone feeder  
49 Material for a trial, in short  
50 Spore  
51 Dead Sea, for one  
52 Nos. men  
53 "Out of My Head," 1960 hit  
54 Sardinia  
56 Through: Prefix  
57 Emulate Dorcas

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**DENNIS THE MENACE**

8-8

"WHO WAS YOUR BEST FRIEND BEFORE YA GOT TO KNOW ME?"

**JUMBLE**

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

**FRASC**

**WELJE**

**DRAWZI**

**KEBTUC**

Now arrange the divided letters to form the surprise answer, as suggested by the above cartoon.

Answer: (Answers tomorrow)

Yesterday's Jumbles: NICE VIXEN LIMBER BENIGN  
Answer: How the vampire loved—in "VIXEN"

**WEATHER**

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	34	24	Beijing	28	18
Amsterdam	31	21	Bombay	32	22
Athens	31	21	Buenos Aires	28	18
Bahia	31	21	Calcutta	32	22
Bangkok	31	21	Caracas	32	22
Berlin	31	21	Chengdu	32	22
Bombay	32	22	Colon	32	22
Buenos Aires	28	18	Hankow	32	22
Calcutta	32	22	Hong Kong	32	22
Caracas	32	22	Kobe	32	22
Chengdu	32	22	Manila	32	22
Colon	32	22	Medan	32	22
Hankow	32	22	Osaka	32	22
Hong Kong	32	22	Shanghai	32	22
Kobe	32	22	Singapore	32	22
Manila	32	22	Taipei	32	22
Medan	32	22	Tokyo	32	22
Osaka	32	22			
Shanghai	32	22			
Singapore	32	22			
Taipei	32	22			
Tokyo	32	22			

**MIDDLE EAST**

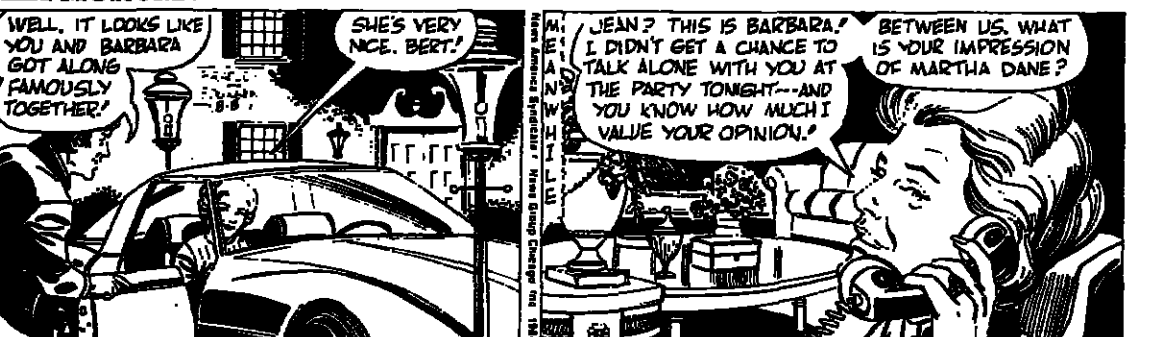
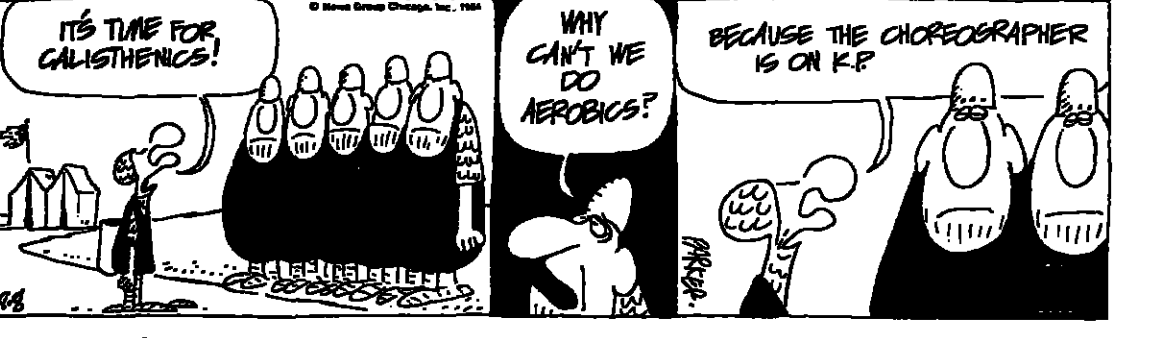
HAIFA	HIGH	LOW	TEL AVIV	HIGH	LOW
Haifa	32	22	Tel Aviv	32	22
Tel Aviv	32	22			

**OCEANIA**

SYDNEY	HIGH	LOW	MELBOURNE	HIGH	LOW
Sydney	32	22	Melbourne	32	22
Melbourne	32	22			

**WEDNESDAY'S FORECAST**

Channel: Smooth, FRANKFURT: Fair, Time: 2-11 (Rain), LONDON: Fair, Time: 2-11 (Rain), NEW YORK: Fair, Time: 2-11 (Rain), PARIS: Fair, Time: 2-11 (Rain), ROME: Fair, Time: 2-11 (Rain), TOKYO: Fair, Time: 2-11 (Rain), WASHINGTON: Fair, Time: 2-11 (Rain).



**Canadian Stock Markets**

Prices in Canadian cents unless marked \$

Aug. 7

Toronto	High	Low	Close	Change
1000 Agri Ind A	12.50	12.40	12.45	+0.05
1000 Agri Ind B	12.50	12.40	12.45	+0.05
1000 Agri Ind C	12.50	12.40	12.45	+0.05
1000 Agri Ind D	12.50	12.40	12.45	+0.05
1000 Agri Ind E	12.50	12.40	12.45	+0.05
1000 Agri Ind F	12.50	12.40	12.45	+0.05
1000 Agri Ind G	12.50	12.40	12.45	+0.05
1000 Agri Ind H	12.50	12.40	12.45	+0.05
1000 Agri Ind I	12.50	12.40	12.45	+0.05
1000 Agri Ind J	12.50	12.40	12.45	+0.05
1000 Agri Ind K	12.50	12.40	12.45	+0.05
1000 Agri Ind L	12.50	12.40	12.45	+0.05
1000 Agri Ind M	12.50	12.40	12.45	+0.05
1000 Agri Ind N	12.50	12.40	12.45	+0.05
1000 Agri Ind O	12.50	12.40	12.45	+0.05
1000 Agri Ind P	12.50	12.40	12.45	+0.05
1000 Agri Ind Q	12.50	12.40	12.45	+0.05
1000 Agri Ind R	12.50	12.40	12.45	+0.05
1000 Agri Ind S	12.50	12.40	12.45	+0.05
1000 Agri Ind T	12.50	12.40	12.45	+0.05
1000 Agri Ind U	12.50	12.40	12.45	+0.05
1000 Agri Ind V	12.50	12.40	12.45	+0.05
1000 Agri Ind W	12.50	12.40	12.45	+0.05
1000 Agri Ind X	12.50	12.40	12.45	+0.05
1000 Agri Ind Y	12.50	12.40	12.45	+0.05
1000 Agri Ind Z	12.50	12.40	12.45	+0.05

**Amsterdam**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
ABN-Nieuw	175	175
ABN-Rijk	175	175
ABN-Swiss	175	175
ABN-Toronto	175	175
ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**Other Markets**

Aug. 7

Closing Prices in local currencies

**Johannesburg**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
ABN-Nieuw	175	175
ABN-Rijk	175	175
ABN-Swiss	175	175
ABN-Toronto	175	175
ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**London**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
ABN-Nieuw	175	175
ABN-Rijk	175	175
ABN-Swiss	175	175
ABN-Toronto	175	175
ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**Stockholm**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
ABN-Nieuw	175	175
ABN-Rijk	175	175
ABN-Swiss	175	175
ABN-Toronto	175	175
ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**Sydney**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
ABN-Nieuw	175	175
ABN-Rijk	175	175
ABN-Swiss	175	175
ABN-Toronto	175	175
ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**Zurich**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
ABN-Nieuw	175	175
ABN-Rijk	175	175
ABN-Swiss	175	175
ABN-Toronto	175	175
ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**BOOKS**

**THE DOSSIER**  
By Pierre Salinger and Leonard Gross.  
303 pp. \$15.95.  
Doubleday, 245 Park Ave., New York, N.Y. 10167.  
Reviewed by Walter Goodman

ANDRE KOHL, super television correspondent, bon vivant, pal of celebrities and a sometime musical prodigy, is offered, at the age of 56, a chance at the most sensational scoop in his scoop-filled career. So begins "The Dossier," a teasing tale of huggemugger on the espionage circuit.

If the description of the hero sounds a bit like Pierre Salinger down to the French first name and German surname, that may have something to do with the fact that Salinger, who is now an ABC correspondent in Paris, and is reputed to be something of a bon vivant, is the book's co-author, with Leonard Gross. Andre Kohl, high living and deep feeling, connoisseur of food, women, and music, just could be the Pierre Salinger of Pierre Salinger's imagination.

The tip that Kohl cannot resist, despite his intention to take a year off to practice the piano in hopes of feeling as "authentic" as Isaac Stern, with whom he once played duets, concerns the past of a French politician who is favored to win his nation's approaching presidential elections. This celebrated hero of the Resistance, according to a dossier held by the Soviet Union, was actually an informer for the Gestapo, and was responsible for the death of many true Resistance fighters, as well as for the crippling of an American agent who has since become a top figure in the Central Intelligence Agency.

Kohl's efforts to obtain the dossier, to determine whether it is accurate and then to decide what to do with his findings get him into difficulties with the security services of four countries and keep him bouncing among world capitals, about which the authors provide some tasty details, such as where to get the best *art de vivre* in Paris.

Kohl finds himself particularly drawn to a free-wheeling Soviet apparatchik named Genady Gondrachov, whose only ideology appears to be to live the good life. Just the sort of stuff that one wants in this sort of read. What one does not particularly want are Kohl's reflections on national characteristics, life, love, and art. (Turner's oils, we are informed, "fore-shadowed the later world of non-representational modern art.") As dessert for their tale, the authors offer a sassy message about U.S.-Soviet relations and sassy reflections on the "authenticity of the creative life." Oh, for a *tertium quid*.

There is also a lot here about the lot of the foreign correspondent, poor fellow. ("Foreign correspondents, the most glamorous job in the business, could also be the loneliest.") Naturally, Kohl gets caught up with the daughter of the crippled CIA official. Yes, she is beautiful as well as very fit ("he had never before made love to a woman in such superb condition"), and Kohl does not mind that her conversation seems to have been lifted direct from a pamphlet of the National Organization for Women.

Despite the stretches of foolishness, the authors string on enough complications to keep one reading. The devotee of the genre should enjoy trying to figure out with Kohl just who is doing what to whom. Is Moscow trying to pull a fast one on the West? Why is Washington,

**BEST SELLERS**

The New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

**FICTION**

Week	Title	Author	Weeks on List
1	AND LADIES OF THE CLUB, by	Helen Brown Samuels	2
2	LINCOLN, by Gore Vidal	Gore Vidal	2
3	THE AQUATINE PROGRESSION, by	Robert Ludlum	3
4	THE HAI, by Leon Uris	Leon Uris	4
5	DEEP SIX, by Clive Cussler	Clive Cussler	5
6	THE BUTTER, by Dr. Seuss	Dr. Seuss	6
7	THE WALKING DRUM, by Louis L'Amour	Louis L'Amour	7
8	THE WHEEL OF FORTUNE, by Susan	Susan	8
9	THE GREMLIN'S STORY BOOK, by	Howard	9
10	THE WITCHES OF EASTWICK, by John	John	10
11	HERETICS OF DUNE, by Frank Herbert	Frank Herbert	11
12	POSSESSIONS, by Judith Michael	Judith Michael	12
13	HIM WITH HIS FOOT IN HIS MOUTH	AND OTHER STORIES, by Saul Bellow	13
14	FIRST AMONG EQUALS, by Jeffrey Archer	Jeffrey Archer	14

**NONFICTION**

Week	Title	Author	Weeks on List
1	THE KENNEDYS: An American Drama,	by Peter Collier and David Horowitz	1
2	WILDED, by Ben Green	Ben Green	2
3	IN GOD'S NAME, by David A. Yallop	David A. Yallop	3
4	THE NIGHTMARE YEARS 1930-1940,	by William L. Shirer	4
5	THE FIRE FROM WITHIN, by Carlo	Carlo	5
6	GOD MORNING, MERRY SUN,	SHINE, by Beth Greene	6
7	ON WRITER'S BEGINNINGS, by Eu	Eu	7
8	D.V., by Diana Vreeland, Edited by	Diana Vreeland	8
9	George Plimpton and Christopher Hem	George Plimpton	9
10	MOTHERHOOD: The Second Oldest	Profession, by Erma Bombed	10
11	FIRST LADY OF THE PLAINS, by	Rosalynn Carter	11
12	RESCUE, by Reggie Jackson with Mike	Lupica	12
13	THE MARCH OF FOLLY, by Barbara W	Tuchman	13
14	POWERPLAY, by Mary Cunningham	Mary Cunningham	14
15	BALLS, by Craig Nettle and Peter Gol	Craig Nettle	15
16	AT SEVENTY: A Journal, by Mary Saver	Mary Saver	16

**ADVICE, HOW-TO AND MISCELLANEOUS**

Week	Title	Author	Weeks on List
1	EAT TO WIN, by Robert Haas	Robert Haas	1
2	NOTHING DOWN, by Robert G. Allen	Robert G. Allen	2
3	BOOK WITHOUT A NAME, by Kit Wil	Kit Wil	3
4	THE NINTH COLLEGIATE	DICTIONARY, by	4
5	GO FOR IT! How to Win at Love, Work,	and Play, by Irene S. Kasner	5

**BRIDGE**

By Alan Truscott

ON the diagrammed deal, when West made a penalty with 25 high-card points, he did not have much hope of the bidding ending. But it did, and he led the spade ace. The best defense would now have held South to four tricks. The defense cashes spades, and East shifts to a club. West exits with a diamond, and scores three tricks at the finish. South has to be content with four diamond tricks.

It appears that North-South would do better to escape to two diamonds, a contract that produces six tricks. But in that

event, East-West would probably find their way to four spades and score a vulnerable game.

Since the spade game was bid in the replay after an opening bid of one heart by South, it might seem that North-South were due for a small profit. It turned out to be a big one — 11 international match points — because the defense slipped against one no-trump doubled. East dropped the spade ten on the first trick and West led the nine, an error. East failed to overtake, and West shifted to a club, giving South a trick. And the end-played West at the finish

to score a heart trick for down one.

**Other Markets**

Aug. 7

Closing Prices in local currencies

**Johannesburg**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
ABN-Nieuw	175	175
ABN-Rijk	175	175
ABN-Swiss	175	175
ABN-Toronto	175	175
ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**London**

Class	Prev.	Aug. 7
ABN Holding	315	316.50
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ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**Stockholm**

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ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175

**Sydney**

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ABN-Winnipeg	175	175
ABN-Zurich	175	175

**Zurich**

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ABN-Vancouver	175	175
ABN-Winnipeg	175	175
ABN-Zurich	175	175



## OBSERVER

## Gold Medal in Godliness

By Russell Baker  
NEW YORK — The saving grace of American presidential campaigns is that nobody with the faintest ray of intelligence expects them to produce any act or proposal that is not clownish or contemptible.

The voters expect to be addressed as an assortment of bores and swine, and the politicians realize they are expected to engage in low entertainment and transparent fraud while pretending to be working at serious business.

Americans want their presidents to be upright and serious, but not their presidential candidates. What we have is a tacit agreement between people and politicians not to let the campaign rise above the level of a national burlesque show.

The typical American is confident of his ability to cope with rascals and buffoons, but trembles with suspicion when confronted by a politician who refuses to insult his intelligence. Thus, one of the worst political gaffes of the century was Adlai Stevenson's pledge in 1952 to "talk sense to the American people."

That soured millions of voters on Stevenson. It gave the impression he thought he was too good to roll around in the sawdust with the rest of the crowd. History suggests that the safe course for the politician is to humor the public's taste for vulgarity, and most politicians do.

This produces such typical campaign-year farce as we saw recently in the House of Representatives with Democrats and Republicans competing for the gold medal in Godliness.

The issue was, once again, school prayer. When a politician eyes the electorate the way the wolf eyes Red Riding Hood, the first issue he thinks of is school prayer. Say "school prayer" to any political rally in the country, and the voters will climb the walls and howl and chew on the chandeliers.

This is because American voters are Godly people. They cannot be satisfied by leading their children in prayer at home and taking them to church; they want them to engage in prayer at school, too. But of course the constitutional decree about separation of church and state, to the delight of

politicians, creates obstacles to school prayer.

What a blessing for a politician. Every time another election rolls around, the politicians can declare themselves noisily for the forbidden religious experience of the schoolhouse, thus establishing themselves as Godly folk while skewering any dissidents as agents of Satan.

Now all of us voters out here are onto this scam, aren't we? Election after election, we've seen these characters thrust the Bible in our faces and promise they were going to put prayer back in the schoolhouse, and year after year, we've reelected them, and year after year, there is still no school prayer.

Is there anyone left who doesn't know we're being hoodwinked?

If Madison and the other Founding Fathers came back and revised the Constitution to permit school prayer, today's politicians wouldn't take the opportunity to seek their advice and wisdom about running a government. No sir. They'd be too busy cursing them for destroying the school prayer issue.

Maybe the voters would, too, because losing your temper and getting really mad at somebody about school prayer is a lot of fun in an election year, and it's a lot of fun, too, watching politicians use school prayer to try to make us believe they are the Godliest politicians of all.

So in the House, the Democrats whooped one through ostensibly for God, but actually for the Democratic Party. Called an "equal access" bill, it will make it possible for high school students to get together in the schoolhouse before and after classes for religious meetings.

During a Democratic coup, Republicans countered with a bill to punish communities that forbid voluntary school prayer, and when the Democrats helped defeat it, the Republican leader said the Democrats' Godliness had been exposed as fraudulent.

This obscene performance does not seem to have offended anyone, and since God is merciful the Capitol still stands. Perhaps God, like the American voter, enjoys being insulted when the burlesque begins.

New York Times Service

## Elderhostels: Another Day for Learning

By William Robbins  
New York Times Service

STATE COLLEGE, Pennsylvania — William and Molly Bradford joined a cluster of students around a piano in a Pennsylvania State University dormitory and lifted their voices in song to mark the end of another day of learning.

Bradfield, a 69-year-old retired Ohio State University professor, had spent nearly half a lifetime on campuses but never a day like this one. He had decided to go back to school, he said, because "the thirst for knowledge and the excitement of learning never end."

The Bradfields are part of the Elderhostel movement, now in its 10th year, which has spread across the United States and into Canada, Europe and Asia. It is a program that invites older adults back to college to study, for moderate fees, subjects they never had time to study before.

Under guidelines of the Elderhostel organization, based in Boston, there are limits on the total fees colleges and universities may charge for the course and dormitory room and board. In the continental United States, the upper limit is \$190 for a one-week program, although many charge less. The fee at Penn State is \$180.

In Hawaii, the maximum is \$200 and in Alaska, \$215.

Started in 1975 by Martin Knowlton, a professor in the Division of Continuing Education at the University of New Hampshire, the Elderhostel program spread in its first year to four other institutions and had a total of 200 participants. It then moved into other New England states and beyond.

This year, 81,000 people have been enrolled in courses in 730 institutions in the United States, Britain, France, India, Israel, Italy, the Netherlands, Norway, Sweden and West Germany. Next year, Australia will join the program.

William Berkeley, president of Elderhostel, expects an enrollment of about 100,000 by 1985 in more than 800 institutions.



Elderhostel students in choral workshop rehearsing at Penn State.

From the beginning, the movement was welcomed by schools with underused summertime space and faculty. Now, with regular academic-year enrollments declining in some places, institutions are welcoming an expansion of Elderhostel into fall and winter programs.

The Elderhostel participants have also been welcomed by faculty members, and not just for the extra money.

"That's the least of it," said Professor Charles Mann, who like many other lecturers, finds a stimulating responsiveness in older students.

"It's a rewarding experience," Mann said. "They bring a wealth of background and experience. They react wholeheartedly and they are not afraid to ask 'Why?'"

"They are an interesting combination of pugnacity and respect," he said. "They are not afraid to challenge you, but once you establish yourself, you get a lot of respect."

"The vitality and energy of these people would leave the average person gasping for breath," Berkeley said. "They are people willing to put up with the inconvenience of dormitory living and

sharing bathrooms. And the professors say you don't know what a pleasure it is to teach classes of people who are there for no other reason except a love of learning."

A gathering of Elderhostels at a discotheque illustrated the point.

Around the tables were people from a variety of backgrounds: the Reverend William Dorn of Vernon, Connecticut, a retired minister, and Virginia Dorn; Robert Butler, a retired chief economist at the Pittsburgh airport, and his wife, Esther; Bradfield, the former Ohio State professor, and his wife, a retired teacher; Buck, a manager of information systems in Manchester, New Hampshire, and Beatrice Shaffer, a retired school nurse.

The tempo of the music seemed to deter no one. Beatrice Shaffer danced vigorously on artificial hip joints with Ben Hughes, a 21-year-old Elderhostels' counselor.

"These people will try anything," said Hughes. "Some of them use more recreational facilities here in a week than a lot of students do in four years."

The Elderhostels take a di-

versity of courses, Berkeley said, from Archaeology of American Indians at the University of Arizona, to Baseball in Literature, at Macalester College in St. Paul.

Among the more popular, Berkeley said, are computer courses and studies in regional lore.

The one-week programs at most colleges offer a curriculum of three courses. Here at Penn State, professors have already taught, besides a rare-books course, Utopian thought, communication with the deaf, television and politics, blues and jazz, and communication in foreign lands.

The program this week was among the more unusual. Its focus, taught by instructors from the Fred Waring-Penn State Choral Music Workshop, was on professional techniques of choral performances and choreography.

For a week, the elders swayed and nodded, sounded resonating M's and N's, sang and hummed the arm-wringing signals of instructors and laughed at the instructors' jokes — sometimes in sympathetic embarrassment.

"It has been a stimulating experience," said Bradfield.

PEOPLE  
18 Cited for Heroism

A 46-year-old man who drowned in the Gulf of Mexico off Florida, saving two teen-aged girls was one of 18 people awarded the Carnegie Medal Monday by the Carnegie Hero Fund Commission. Griffin W. Holtzclaw, an air traffic controller from Headland, Alabama, was at Laguna Beach, Florida, on April 28 when he heard the girls screaming. "He stood and said the kids are in trouble," said commission spokesman Walter Toerge. Their raft had been swept away by a strong undertow and upset by waves that separated the raft from the girls. Holtzclaw swam 200 feet to the nearest girl and took her to shallow water to wade ashore. Then he returned and supported her companion until a man arrived on a raft and took both of them to shore. Holtzclaw could not be revived. He was one of five of the 18 medal recipients who died making rescue attempts. All were recognized by the 80-year-old commission for risking their lives to save others. Grants totaling \$45,000, or \$2,500 apiece, were given to the rescuers or their survivors. The commission, founded by industrialist Andrew Carnegie, has given away more than \$15.3 million in grants or continuous support to 6,841 heroes or their survivors.

Knoxville officials said three death threats were made against the singer Michael Jackson but promoters said he refused to cancel his weekend concerts because he did not want to disappoint his fans. Two newspapers and the University of Tennessee received letters threatening Jackson and his brothers. Initially, promoters said concerts would be postponed, but late Monday night they announced the shows would go on. About 65,000 fans are expected to pack the university's Neyland Stadium for each of the concerts Friday, Saturday and Sunday — the largest crowds on Jackson's Victory Tour. . . . In Los Angeles, negotiations to bring Jackson and his brothers to the Forum have collapsed, and the group will probably reschedule its performances there, a promoter says. They were to have performed eight dates at the Forum from Sept. 2 to Sept. 12.

The government of Swaziland has rejected a request by Andy

Warhol, the U.S. artist, to paint a portrait of Queen Ntombi Thabane. A government spokesman said Tuesday that the suggestion has been rejected with outrage. "We respect our kings and queens in this country and it is not right that Mr. Warhol and his company should make millions out of a painting of our royal family," sources said. Warhol wanted Queen Ntombi Thabane to complete a set of portraits of queens and that he had finished those of Queen Elizabeth of Britain, Queen Beatrix of the Netherlands and Queen Margreth II of Denmark.

Nancy Reagan is to receive Variety Club's International "Lifetime Award" in Los Angeles Sept. 4 at a ceremony headed by Frank Sinatra. The Lifetime program provides aid and assistance in life-threatening situations for children around the world in countries that cannot provide it. In the past three years, Lifetime has saved more than 45 children. Mrs. Reagan was chosen for the award because of the "world attention she brought to our program last November when she ranged for two Korean youngsters to come to the United States for treatment," says Joseph Stacey, director chairman for the ceremony.

With the theme, "From Salinas to the World," a group of Japanese scholars and their families have come to honor author John Steinbeck in the landscape he loved. "This is the green he must have seen. This is the air he must have breathed," said Yasuo Hashiguchi, 45, as he and another professor gazed out a second-floor window at the Community Center in Salinas, California. The Japanese make up about a third of the 34 participants at the Second International Steinbeck Congress. They are organized only by the 18 American "Steinbeck's literature is inseparable from Salinas and the California background," said Tetsuhiro Hayashi, an English professor from Ball State University in Muncie, Indiana, who organized the eight-day conference. He said Steinbeck's themes and philosophy appeal to the Japanese. "He dealt with universal truths and beauty. And his elegant style is approachable for us," Hayashi said.

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